Sirius Real Estate Limited
Condensed Interim Report 2023

Our highlights
Rental growth delivers further FFO and dividend increases
- 7.3% increase in total revenue to €140.1 million (30 September 2022: €130.6 million)
- 7.7% increase in Group like-for-like rent roll (30 September 2022: 6.9%)
- 7.0% in like-for-like annualised rent roll in Germany to €122.5 million (30 September 2022: €114.5 million) and 9.0% in the UK to £50.7 million (€58.6 million) (30 September 2022: £46.5 million (€53.8 million)) demonstrating the quality of the assets and continued occupier demand
- Sirius remains on track to deliver its tenth consecutive year of greater than 5% like-for-like rent roll increases at Group level
- 9.3% growth in funds from operations[1] to €53.0 million (30 September 2022: €48.5 million)
- 2.0% increase in adjusted profit before tax to €49.9 million (30 September 2022: €48.9 million) excluding property valuations demonstrating continued strong operational performance
- 13.5% increase in adjusted earnings per share, which excludes valuation movements as well as exceptional items, to 4.21c per share (30 September 2022: 3.71c) reflecting the positive year on year operational development, with basic EPRA earnings per share up 16.7% to 4.12c per share (30 September 2022: 3.53c)
- 11.1%[2] increase in dividend per share to 3.00c (30 September 2022: 2.70c)
- 0.4% increase in EPRA NTA per share to 108.51c (31 March 2023: 108.11c per share)
- The book value of owned investment property increased in Germany by €13.0 million (30 September 2022: €29.7 million), whilst book value decreased in the UK by €6.1 million (30 September 2022: €23.2 million decrease) representing a 1.8% like-for-like valuation growth and 2.1% like-for-like decrease respectively
- Increase in owned investment property to €2,112.8 million (31 March 2023: €2,107.3 million) including assets held for sale of €7.3 million
- Group EPRA net yield to 6.7% (30 September 2022: 6.4%)
- Like-for-like Group occupancy remained stable at 84.5% (30 September 2022: 84.4%) highlighting the Group's ability to manage its tenant base and vacancy, especially in Germany where the tenant retention rate rose to 78% compared to 65% in the prior year
- 7.2% increase in Germany in like-for-like average rental rate to €7.02 per sqm (30 September 2022: €6.55 per sqm) and 9.0% increase in the UK to £13.78 per sq ft (€14.30[3] per sqm) from £12.64 per sq ft at 30 September 2022, highlighting the high reversion potential within the UK portfolio in particular

Strong Balance Sheet
- Weighted average cost of debt remained stable at 1.4% in the period (31 March 2023: 1.4%) with a weighted average debt expiry of 3.3 years, increasing to 2.1% with a weighted average debt expiry of 4.2 years following Berlin Hyp AG and Deutsche Pfandbriefbank AG financing
- Net LTV of 40.8% (31 March 2023: 41.6%), including unrestricted cash balance of €91.2 million (31 March 2023: €138.6 million)
- Fitch reaffirmed its BBB investment grade rating with "Stable Outlook" on 20 October 2023

Successful Post Balance Sheet Asset Recycling, including two disposals at 5% average premium to book value
- Recycling of approximately in total €100 million, in four post balance sheet transactions, comprising €47.4 million of disposals in Germany and €52.9 million of acquisitions in the UK demonstrating that the Company's assets remain desirable and opportunities remain in the market

Outlook
- Sirius remains well positioned to navigate the current macro-economic climate due to its intensive asset management initiatives together with over 4 years weighted average debt expiries cushioning the impact of higher interest rates affecting many in our sector
- As such, the Company continues to expect to trade in line with management expectations for the full year.

Business update

Strong operational performance highlights resilience of Sirius platform

Total annualised rent roll
€184.2m[3]

9.0%

2023 €184.2m
2022 €169.0m

Total revenue
€140.1m

7.3%

2023 €140.1m
2022 €130.6m

Funds from operations[1]
€53.0m

9.3%

2023 €53.0m
2022 €48.5m

Profit before tax
€39.8m

(47.4%)

2023 €39.8m
2022 €75.7m

Interim dividend
3.00c per share

11.1%[2]

2023 3.00c
2022 2.70c

Basic earnings per share
2.71c per share

(54.8)%

2023 2.71c
2022 6.00c

1 See note 25 of the Interim Report 2023.

2 Interim dividend representing 66% of FFO (30 September 2022: 65% of FFO).

3 The Company has chosen to disclose certain Group rental income figures utilising a constant foreign currency exchange rate of GBP:EUR 1.1566, being the closing exchange rate as at 30 September 2023.

In summary:

- Sirius remains resilient and well positioned to navigate the current macro-economic climate due to its intensive asset management initiatives and the fixed price contracts it has secured for a significant portion of its utility demands in both Germany and the UK, which should shelter its diverse tenant base from some of the higher operating costs that most industrial companies are facing. Further, having over 4 years weighted average debt expiries is helping cushion the impact of higher interest rates affecting many in our sector.
- The Company looks ahead with confidence and continues to trade in line with management expectations for the full year.

Key Group highlights:

Metric	**30 September 2023**	30 September 2022	Movement	Movement %
Total annualised rent roll* (€ million)	184.2	169.0	15.2	9.0%
Like-for-like annualised rent roll* (€ million)	181.2	168.3	12.9	7.7%
Average rate (€) per sqm*	8.42	7.77	0.65	8.4%
Average rate (€) per sqm like for like*	8.40	7.79	0.61	7.8%
Total occupancy (%)	84.1	84.4	(0.3)	(1.1)%
Like for like occupancy (%)	84.5	84.4	0.1	0.1%
Cash in bank (€ million)	91.2	138.6	(47.4)	(34.2)%
Cash collection (%)	97.5	97.6	(0.1)	0%

* The Company has chosen to disclose certain Group rental income figures throughout utilising a constant foreign currency exchange rate of GBP:EUR 1.1566, being the closing exchange rate as at 30 September 2023, throughout this document.

Overview
Against a backdrop of negative headlines referencing challenging economic conditions in both Germany and the UK as further outlined in its principal risks and uncertainties in note 2(f), the Group is pleased to report continued strong trading in line with

expectations, with all our key like for like operating metrics showing positive momentum leading to like-for-like Group annualised rent roll growth compared to the prior year of 7.7%*.

In Germany, occupancy remains stable and we continue to achieve rental rate growth ahead of inflation as we utilise our proprietary asset management platform to maximise the value we generate from our space. The sale of Kassel at above book value, which we announced on 3 October 2023, demonstrates the resilience of our German portfolio, which has again achieved a modest uplift valuation at the period end driven by continued strong rental growth.

In the UK we continue to focus on driving value from BizSpace. Rent roll growth is ahead of our German operations reflecting the ongoing demand for our affordable, well-located space amid a higher inflationary backdrop. Occupancy in the UK was higher than the six months prior and it is particularly pleasing to report that UK rent roll has exceeded £50 million for the first time, buoyed by a record new business sales month in September. Nonetheless the UK portfolio experienced a modest decrease in valuation in line with an expansion in yields in the sector.

Group rent roll increased by 9.0%* year-on-year and 2.8% in the period. Like-for-like rent roll in Germany increased by 2.4% in the period (30 September 2022: 2.4%) whilst year-on-year like-for-like rent roll growth was 7.0%. The UK enjoyed a boost to rent roll as its price led strategy took hold with like-for-like rent roll increasing by 4.6% in the period (30 September 2022: 4.1%) whilst year-on-year like-for-like rent roll growth was 9.0%. Continued strong demand for Company products in attractive locations indicate that Sirius is poised for its tenth consecutive year of greater than 5% like-for-like rent roll increases.

Rent roll growth is supported in Germany by a 2.6% increase in like-for-like rate per sqm to €7.06 (31 March 2023: €6.88), whilst the like-for-like year-on-year rate grew by 7.2% to €7.02 (30 September 2022: €6.55). In the UK, a strong increase year-on-year in like-for-like rate per sq ft of 9.0% to £13.78 (30 September 2022: £12.64) was also the driver of the 9.0% like-for-like rent roll increase to £50.7 million (30 September 2023: £46.5 million). These developments over the past year have helped the Group report a 9.3% growth in FFO to €53.0 million (30 September 2022: €48.5 million).

The strong trading underpins the board's confidence to declare an 11.1% increase in the interim dividend to 3.00c per share compared to the 2.70c for H1 last year. NAV per share grew around 0.2% in the six month period which was helped by a 0.3% uplift in the valuation of owned investment property to €2,112.8 million from €2,107.3 million as at 31 March 2023, including those assets held for sale.

The Group's balance sheet remains strong as a result of a number of previously communicated early financings that have been agreed. These comprise the €170 million Berlin Hyp AG loan facility, for a period of seven years to 31 October 2030, and the €58.3 million Deutsche Pfandbriefbank AG facility, for a period of seven years to 31 December 2030. From the commencement of the new Deutsche Pfandbriefbank AG facility at the end of December 2023, the Group will have a weighted average cost of debt of 2.1% and a weighted average debt expiry of 4.2 years. In addition, the Company further paid down its expiring Schuldschein debt of €20 million in the period from existing cash flows. The early financing of the Berlin Hyp AG and Deutsche Pfandbriefbank AG loans demonstrate the Group's continued support from its banking partners and ability to refinance or take out new facilities throughout the property cycle.

The Group's track record of growing FFO organically through its selective asset recycling is continuing well, as outlined in detail under "Asset recycling, acquisitions and disposals" further on in this report. In summary, the Group undertook several transactions post the balance sheet date in both Germany and the UK amounting to in total nearly €100 million, recycling €47.4 million of disposals into €52.9 million of acquisitions in October and November a testament to the Group's continued success in recycling assets in all market environments.

The Group is further pleased to welcome Chris Bowman as CFO as he joins the Sirius Board of Directors in August 2023 following a handover from interim CFO Alistair Marks. Alistair Marks, who stepped down from the Sirius board in July 2023, will be leaving the Group at the end of March 2024 having been with Sirius since inception in 2007, becoming CFO in 2012, following internalisation and more recently as CIO. He goes with the Board's thanks for his valuable contribution to the Group.

Financial performance

Excluding the effects from gains and losses from the revaluation of investment properties profit before tax increased by 2.0% to €49.9 million (30 September 2022: €48.9 million) demonstrating continued strong operational performance. Total revenue, which comprises rental income, fee income from Titanium, other income from investment properties and service charge income, increased by 7.0% to €140.1 million (30 September 2022: €130.6 million). The Company reported a profit before tax for the six month period of €39.8 million (30 September 2022: €75.7 million) which includes €9.6 million of deficit* from investment property revaluations of its owned assets (30 September 2022: €27.8 million gain).

As a result, FFO for the six months grew to €53.0 million (4.54c per share) compared to €48.5 million (4.15c per share) for the same period in the prior year, an increase of 9.3% on a per share basis. Reported profit after tax of €31.7 million and basic earnings per share of 2.71c compares to €70.0 million and basic earnings per share of 6.00c in the prior year, reflecting lower valuations coupled with a small lag on the asset recycling between when assets were sold and the equity reinvested. Adjusted earnings per share, which excludes valuation movements as well as exceptional items, increased by 13.5% to 4.21c per share from 3.71c in the prior year, reflecting the positive year on year operational activity.

* Net of capex and adjustments in relation to lease incentives and broker fees.

The following table sets out the key earnings per share metrics:

Table 1: Earnings per share

	six months ended 30 September 2023			six months ended 30 September 2022			
	Earnings €m	**No. of shares**	**Cents per share**	Earnings €m	No. of shares	Cents per share	Change %
Basic EPS	**31.7**	1,169,697,061	**2.71**	70.0	1,167,383,139	6.00	(54.8)%
Diluted EPS	**31.7**	1,185,416,141	**2.67**	70.0	1,183,403,147	5.92	(54.9)%
Adjusted EPS	**49.3**	1,169,697,061	**4.21**	43.3	1,167,383,139	3.71	13.5%
Basic EPRA EPS	**48.2**	1,169,697,061	**4.12**	41.2	1,167,383,139	3.53	16.7%
Diluted EPRA EPS	**48.2**	1,185,416,141	**4.07**	41.2	1,183,403,147	3.48	17.0%

The Directors have chosen to disclose EPRA earnings, which are widely used alternative metrics to their IFRS equivalents (further details on EPRA best practice recommendations can be found at www.epra.com). Refer to note 2(c) for further information.

Net asset value per share ("NAV") grew to 102.65c (31 March 2023: 102.46c) in the period whilst adjusted net asset value per share ("adjusted NAV") increased by 0.6% to 109.91c (31 March 2023: 109.21c). EPRA net tangible assets ("EPRA NTA") per share increased by 0.4% to 108.51c (31 March 2023: 108.11c). The valuation metrics are described in more detail below and the movement in net asset value per share in the period can be seen in the following table:

Table 2: Net assets per share

	cents per share
NAV per share as at 31 March 2023	102.46
Profit after tax	4.22
Deficit on revaluation of investment properties	(0.80)
Deferred tax charge	(0.44)
Cash dividend paid	(3.15)
EBT share purchase and LTIP vesting	(0.02)
Foreign currency	0.65
Adjusting items	(0.26)
NAV per share as at 30 September 2023	102.65
Deferred tax and adjustments to financial derivatives*	7.25
Adjusted NAV per share as at 30 September 2023	109.91
EPRA adjustments*	(1.40)
EPRA NTA per share as at 30 September 2023	108.51

* See note 11 of the Interim Report.

Lettings and rental growth

Rental growth

Germany

In Germany, like-for-like year-on-year annualised rent roll increased by 7.0% to €122.5 million (30 September 2022: €114.5 million). The Company was also able to manage the inflationary environment effectively, increasing its average like-for-like rental rate per sqm by 7.2% to €7.02 per sqm from €6.55 per sqm in the prior year. Like-for-like occupancy remained stable at 83.8% (30 September 2022: 83.8%) highlighting the Company's ability to manage its tenant base and vacancy, as evidenced by its tenant retention rate of 78% compared to 65% in the prior year.

UK

In the UK, like-for-like year-on-year annualised rent roll increased by 9.0% to £50.7 million (€58.7* million) (30 September 2022: £46.5 million (€52.6* million)). This was driven by a 9.0% increase in like-for-like average rental rate to £13.78 per sq ft (€14.30* per sqm) from £12.64 per sq ft as at 30 September 2022, highlighting the high reversion potential within the UK portfolio which is realisable due to continued strong occupier demand. Like-for-like occupancy increased to 87.7% (30 September 2022: 87.0%) for the year due to proactive management of its customer base in order to take advantage of the continued rental growth in the industrial market and high demand for flexible workspace, as well as its efforts to attract tenants at higher rates.

* The Company has chosen to disclose certain Group rental income figures throughout utilising a constant foreign currency exchange rate of GBP:EUR 1.1566, being the closing exchange rate as at 30 September 2023, throughout this document.

Cash collection

As rental rates continue to increase in both Germany and in the UK, the value of the Company's in-house team of cash collection professionals who maintain close working relationships with tenants is key to the Company's success in collecting its debts. As inflationary pressures remain, the Company has been successful in maintaining consistent cash collection rates across the Group of 97.5% (30 September 2022: 97.6%).

Germany

In the six months to 30 September 2023, the Company increased its tenant billings by 12.7% to €97.5 million (excluding VAT) (30 September 2022: €86.5 million), of which €94.7 million or 97.1% was collected, remaining consistent with the 97.2% collected in the prior comparative period. The Company expects to collect the majority of the €2.8 million outstanding debts through its regular collection activities over the coming months. The Company had only immaterial write offs in the period.

UK

BizSpace also continued to maintain high cash collection rates through the team's active management of its tenant base. Of the £25.4 million (excluding VAT) (€29.4 million) which was billed in the period, £25.1 million (€29.1 million) or 98.9% was collected.

The remaining £0.3 million (€0.3 million) is expected to be collected in the normal course of regular collection activities over the coming months. The Company had immaterial write offs in the period.

Portfolio valuation

Group

Taking into account investment property relating to leased assets the total investment property book value as at 30 September 2023 was €2,129.5 million (31 March 2023: €2,123.0 million) such valuations having been independently reviewed by Cushman and Wakefield. In accordance with IFRS 16, the Group recognises leased investment properties of €24.0 million; accordingly, a revaluation loss of €0.7 million representing the fair value adjustment in the period was recorded in the income statement.

Germany

The €13.0 million increase in value of the owned investment properties in the German portfolio was made up of €11.2 million of capex investment and €8.9 million of valuation uplift, offset by a €7.3 million transfer in assets held for sale and €0.2 million adjustment with respect to lease incentives on the back of the 2.4% increase in like-for-like rental income. The portfolio is now valued on a gross yield of 7.4% and a net yield of 6.6% which has increased from 7.3% and 6.5% respectively as at 31 March 2023. Despite ongoing pressures on the commercial property market in Germany, yields remain less volatile for higher yielding asset classes, with sellers preferring to take assets off the market rather than reduce prices significantly. Nevertheless, Sirius is particularly well positioned to absorb any further yield expansion in the asset class due to the value-add potential remaining within its portfolio and the fact that, over the last few years, its assets are valued at yields which are much higher than where similar assets have been trading at over the last few years. Sirius' business model of upgrading and repositioning underperforming properties through its capex investment programme to transform them into much more desirable institutional type assets is one which works very effectively when the market is strong as well as when it is more challenging.

As at the period end, just over 60% of the total portfolio comprised assets benefiting from both income and value-add potential which will be realised through Sirius' intensive asset management and selective capex investment over the next few years. These assets now have an average occupancy of 78.8% and are valued on a gross yield of 7.7%, compared to the Company's mature assets which are on average around 94.8% occupied and valued on a gross yield of 6.8%. Unlocking the potential in the value-add portfolio will come from filling up sites and stabilising their rental income. This will be achieved through our strategy of making the properties much more appealing to a wider market which includes the lower cost of capital investors who buy these types of assets on much tighter yields. Hence, we would expect to see the gap between the yields of the value-add assets and mature assets tighten as the value-add assets approach maturity. This is why the capex programme, which has so successfully and consistently improved occupancy, rental income, service charge cost leakage and overall quality of the rent roll and sites in general, has proven to be extremely value accretive.

UK

The €6.1 million negative movement in owned investment property of the UK portfolio was made up of a €18.5 million revaluation decrease, taking into account €5.3 million of capital expenditure, offset by a favourable foreign currency translation adjustment of €7.1 million.

The 30 September 2023 book value of the UK portfolio, which was independently valued by Cushman & Wakefield LLP, was £355.9 million (€411.6 million) (31 March 2023: £367.2 million) (€417.7 million), representing an average gross yield of 14.3% (31 March 2023: 13.2%) which translates to a net yield of 9.7% (31 March 2023: 9.3%). The 30 September 2023 valuation represents a 3.2% valuation decrease when compared to the £367.2 million valuation figure as at 31 March 2023, driven by an average 40bps of yield expansion fully offsetting a 4.5% organic increase in annualised rent roll across the same period.

The average capital value per sqm of the portfolio of £85 per sq ft (€915 per sqm) remains well below replacement cost and illustrates the potential for further growth from transformative investment through leveraging the Group's capex investment programme.

German capex investment programme

The Group's capex investment programme in relation to its German assets has historically been focused on the transformation of poor-quality vacant space that is typically acquired at very low cost due to it being considered as structural vacancy by former owners. The transformation and take up of this space have not only resulted in significant income and valuation improvements for the Company but have also yielded significant improvements in service charge cost recovery and therefore further enhanced the improvements to net operating income. The programme started in 2015 and to date 433,632 sqm of space has been completed for an investment of €69 million. As at 30 September 2023, this space was generating €27.4 million in annualised rent roll (at 73% occupancy) plus the substantial improvement in the recovery of service charge costs. This transformed space has also been the major contributor towards the large valuation increases seen in the portfolio over the last 8.5 years.

In addition to the space that has been completed and let or is currently being marketed, a total of approximately 32,300 sqm of space is either in the process of being transformed or is awaiting approval to commence transformation. The Group is on track to invest €8.8m into its capex investment programme this year and expects to generate return on investment via rental income alone in excess of 25%.

In addition to the capex investment programme on acquired "structural" vacant space, Sirius continually identifies and looks for opportunities to upgrade the space that is vacated each year as a result of move-outs. Within the existing vacancy as at 30 September 2023, the Company has identified approximately 59,039 sqm of vacated space that has potential to be significantly upgraded before it is re-let. This space will require an investment of approximately €6.2 million and, at current rates, is expected to generate greater than 35% return on investment in annualised rent roll when re-let. Upgrading this vacated space allows the Company to enhance the reversionary potential of the portfolio further whilst significantly improving the quality, desirability and hence value of not only the space that is invested into but also the whole site.

The German portfolio's headline 84% occupancy rate means that in total 296,446 sqm of space is vacant as at 30 September 2023. When excluding the vacancy that is subject to investment (5% of total space), and the structural vacancy, which is not economically viable to develop (2% of total space), the Company's occupancy rate based on space that is readily lettable is approximately 90%.

Whilst the capex investment programmes are a key part of Sirius' strategy, they represent one of several ways in which the Company can organically grow income and capital values. A wide range of asset management capabilities including the capturing of contractual rent increases (especially whilst inflation is high), uplifts on renewals and the re-letting of space at higher rates are expected to continue to contribute to the Company's annualised rent roll growth going forward.

Asset recycling, acquisitions and disposals
Recycling equity from mature assets into new value-add acquisitions has always been a significant part of the Sirius business model. It benefits the Company in many ways including: a) proving enhanced valuations that can also be crystallised; b) replenishing the growth opportunity within the vacancy and the capex investment programme; and c) being accretive to FFO per share (and therefore dividend per share), with a consequent contribution to NAV per share growth. This is an element of the Company's strategy which Sirius is able to execute effectively throughout the property cycle and this has been evidenced by the Company's continued asset recycling initiatives. Even though the market for both selling and buying remains a challenging one due to the current economic climate, and with the Company remaining mindful of its net LTV, it has been able since the balance sheet date to recycle some non-core and mature assets in Germany and reinvest these funds into some excellent accretive opportunities in the UK, as detailed below.

Disposals
Whilst the Company did not complete any disposals in the period in both Germany and in the UK, it did conduct two post balance sheet transactions in Germany. The sale of its Kassel asset for €7.3 million, which completed on 1 October 2023 represented a 5% premium to book value at the time of notarisation. This allowed Sirius to dispose of an asset located in a non-core location, which was 92% let and comprised a total lettable area of 8,342 sqm of industrial, office, logistics and other space within a 16,217 sqm plot size. Additionally, the Company notarised the disposal of its Maintal I asset on 1 November 2023, for a sales price of €40.1 million equating to 6% above book value, with an expected timing of completion in March 2024. The mixed-use site consists of 38,000 sqm of storage, industrial and office space, yielding €2.1 million on NOI at 83% occupancy.

Acquisitions
The Company did not complete on any acquisitions during the period, whilst it waited for opportunistic acquisitions to arise given market conditions. Utilising recycled funds from disposals in Germany and free cash on hand, the Company completed the purchase of two post balance sheet transactions amounting to £45.8 million (€52.9 million). The first was £10.1 million (€11.7 million) acquisition, which completed on 2 October 2023 and comprised two mixed use industrial assets located in Liverpool and the other in Barnsley with a combined area of 71,957 sq ft (6,685 sqm) of predominantly workshop space. The purchase price represented a NIY of 9.6% (total acquisition costs). The second transaction, which was completed on 6 November 2023, was the £35.7 million (€41.2 million) purchase of three multi-let studio sites located in Islington and Camden in North London, representing a 7.3% net initial yield after costs. The assets, with a combined area of 103,962 sq ft (9,658 sqm) are just under 70% let, providing opportunity for the Company to implement its asset management initiatives.

A summary of the acquisitions and disposals transacted post the balance sheet date is set out in the tables below:

Table 3a: Acquisitions

Notarised/completed for acquisition	Date	Total investment £m	Total acquired sq ft	Annualised rental income £m	Annualised NOI £m	Occupancy	Gross yield
Liverpool and Barnsley*	Oct 2023	10.1	71,957	1.3	1.0	99.3%	12.4%
Islington and Camden**	Nov 2023	35.7	103,962	2.8	2.6	69.8%	7.8%
Total		45.8	175,919	4.1	3.6	81.8%	9.0%

* Completed on 2 October 2023

** Completed on 6 November 2023

Table 3b: Assets held for sale

Notarised/completed for sale	Date	Total sales price €m	Total disposal sqm	Annualised rental income €m	Annualised NOI €m	Occupancy	Gross yield*
Kassel**	Oct 23	7.3	8,341	0.5	0.4	92%	7.1%
Maintal***	Nov23	40.1	37,871	2.4	2.1	83%	6.0%
Total		**47.4**	**46,192**	**2.9**	**2.5**	**85%**	**7.1%**

* Calculated on net purchase price.

** Completed 1 October 2023

*** Notarised 1 November 2023, expected completion March 2024

Net LTV and debt refinancing
Net LTV, which reduces the loan balance by free cash (excluding restricted cash balances) in its calculation, has been reduced to 40.8% (31 March 2023: 41.6%) whilst interest cover at EBITDA level was 8.2x as at 30 September 2023 (31 March 2023: 8.6x).

The Company's balance sheet remains strong through previously communicated financings of the €170 million Berlin Hyp AG loan facility, for a period of seven years to 31 October 2030 and the €58.3 million Deutsche Pfandbriefbank AG facility, for a period of seven years to 31 December 2030. From the commencement of the new Deutsche Pfandbriefbank AG facility at the end of December 2023, the Group will have a weighted average cost of debt of 2.1% and a weighted average debt expiry of 4.2 years. The Company further paid down its expiring Schuldschein debt of €20 million in the period from existing cash flows. This ability to refinance debt at favourable rates in the current market circumstances is an important asset for the Company. The Company has no debts maturing within the next twelve months, with less than €30 million in loans coming due between January and March 2025.

All covenants were complied with in full during the period. A summary of the movement in the Group's debt is set out below:

Table 4: Movement in debt*

	€m
Total debt as at 31 March 2023	975.1
Debt repayment	(20.0)
Scheduled amortisation	(2.7)
Total debt as at 30 September 2023	**952.4**

* Excludes loan issue costs.

Strength of well-diversified income and tenant base
A combination of the diversity of the Group's tenant base and wide range of space offerings, which are underpinned by an established operating platform, continues to be extremely beneficial to Sirius and will be another key element to help the Company continue to grow over the next few years. Diversity in both space type and tenancy is key to this. Sirius' portfolio includes industrial, manufacturing, urban logistics/production, storage and out of town office space that caters to multiple usages and a vast range of sizes and tenant types. The diversity of the Company's tenant base ranges from large, stable and long-term anchor tenants through to the flexible SME and private customers who are the engine room of any economy.

Germany

Against the backdrop of continued market disruption, resulting in a high inflationary environment, the importance of a well-diversified tenant base and wide range of products is evident. The Group's large anchor tenants are typically multinational corporations occupying production, storage and related office space whereas the SMEs and individual tenants occupy space on both a conventional and a flexible basis including space marketed under the Company's popular Smartspace brand which provides tenants with a fixed cost and high degree of flexibility. The Company's largest single tenant contributes 2.2% of total annualised rent roll whilst 8.1% of its annualised rent roll comes from government tenants. SMEs in Germany, the Mittelstand, are typically defined as companies with revenues of up to €50.0 million and up to 500 employees. SME tenants remain a key target group which the Company's internal operating platform has demonstrated an ability to attract in significant volumes as evidenced through the high number of enquiries that are generated each month, mainly through the Company's own marketing channels. The wide range of tenants that the Sirius marketing and sales team is able to attract is a key competitive advantage and results in a significantly de-risked business model when compared to other owners of multi-tenanted light industrial and business park assets. The table below illustrates the diverse nature of tenant mix within the German portfolio at the end of the reporting period:

Table 5a: Tenant breakdown – Germany

	No. of tenants as at 30 September 2023	Occupied sqm	% of occupied sqm	Annualised rent income* €m	% of total annualised rent income* %	Rate per sqm €
Top 50 anchor tenants[1]	50	671,023	45%	48.3	39%	5.99
Smartspace SME tenants[2]	2,838	70,427	5%	8.0	6%	9.50
Other SME tenants[3]	2,866	738,549	50%	69.2	55%	7.80
Total	5,754	1,479,999	100%	125.5	100%	7.06

1 Mainly large national/international private and public tenants.

2 Mainly small and medium-sized private and public tenants.

3 Mainly small and medium-sized private and retail tenants.

* See glossary section of the Interim Report 2023.

Even with the continuing conflict in Ukraine, Europe's energy supply has successfully diversified away from Russia dependence. Germany continues to be well positioned through its early identification of the issue and shoring up of its gas reserves. As at 30 September 2023, Germany had managed to ensure its gas storage capacity had been filled, enabling the German economy to continue operating without expected interruptions this coming winter. Additionally, the Company's robust and well-diversified tenant base does not have a significant reliance on gas supplies to continue operating and, as such, the potential negative impact on Sirius' rent roll is low. In Germany, the Company sources its utilities and facilities management services in bulk for its properties and has managed to secure a long-term, four-year contract after its current utility contract expires in December 2023. This new utility contract allows the Company to hedge up to 70% of the order volume at a fixed price at any time, benefiting the expected trend in reduced utility expenses in the coming years. As a result, its tenants should be sheltered from some of the higher operating costs that many industrial companies are facing right now. This is yet another benefit and advantage offered by Sirius that it has from its intense active management strategy.

UK

BizSpace's top 100 tenants are larger corporate customers representing 23% of its annualised income, whilst the remaining 77% of tenants are made up of SME and micro-SME. Whilst the top 100 tenants occupy 1% less space than in the comparative period, the rent roll contribution has increased by 2% with rates increasing by 6%. The biggest contributor to rent roll continues to be the next 900 tenants, where rent roll increased by 16% as a result of a 6% increase in rates and occupying 9% more space than in the comparative period. The price led strategy has made very positive contribution to rent roll in this segment.

Table 5b: Tenant breakdown – UK

	No. of tenants as at 30 September 2023	Occupied sq ft	% of occupied sq ft	Annualised rent income* £m	% of total annualised rent income* %	Rate per sq ft £
Top 100 tenants	100	913,699	25%	11.7	23%	12.81
Next 900 tenants	900	1,790,712	49%	23.0	45%	12.84
Remaining tenants	2,494	977,620	27%	16.0	32%	16.37
Total	3,494	3,682,031	100%	50.7	100%	13.78

* See glossary section of the Interim Report 2023.

Smartspace Germany

Sirius' Smartspace products are designed with flexibility in mind, allowing tenants to benefit from a fixed cost which continues to be desirable even in challenging market conditions, across a range of affordable serviced offices, self-storage units and workboxes on a flexible basis that can be tailored to their needs. The majority of Smartspace has been developed from space that is either sub-optimal or considered to be structurally void by most light industrial real estate operators. Following conversion, the area is transformed into space that can be let at significantly higher rents than the rest of the business park and, as a result, is highly accretive to both income and value. In the post-pandemic environment, as businesses manage remote working, online selling, issues with supply chains and supply shortages, the Smartspace product line becomes even more attractive because of its flexibility, pricing and location being on the fringes of major cities.

The fact that the Company is able to convert sub-optimal and unutilised space into this premium, popular space and achieve rental rates well in excess of the rest of the portfolio, means that even though Smartspace is only a small part of Sirius' business, it is a major part of the value enhancement process and the asset transformation, while providing a valuable service for tenants located elsewhere on the parks as well as those just using this space.

The annualised rental income now being generated from Smartspace, excluding the element that covers service charge costs, has decreased by 4.8% to €8.0 million from €8.4 million at the beginning of the period due to adjustments in service charge allocation whilst it increased by 1.3% year-on-year. The occupancy of Smartspace has remained stable in the period at 66% (31 March 2023: 65%) whilst the rates have decreased by 4.2% in the last six months from €9.92 per sqm to €9.50 per sqm.

Environmental, social and governance ("ESG")

We are pleased to report that we continue to make progress in embedding our ESG programme into our corporate strategy and our business and financial planning cycles. Throughout this process, we always ensure our approach remains commercially practical and financially viable.

In Germany, and as announced in our 2022/23 Annual Report, we have achieved our target reductions in net zero emissions for our Scope 1 and 2 emissions. Our main focus is now on better understanding the pathway to net zero emissions, including Scope 3, by 2045 in line with the German national target. To support this work, our previous assessments are being updated to reflect revised CRREM methodology which was launched after our year end and are being subjected to a detailed operational and financial assessment. We intend to be in a position to outline a more detailed pathway, including shorter-term decarbonisation plans and targets, in our next Annual Report.

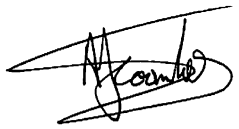
In the UK, we remain committed to achieving carbon neutrality for Scope 1 and 2 emissions in the current financial year and we are commencing an assessment to understand the potential pathway to net zero emissions including Scope 3 for the UK by 2045 or 2050 in line with CRREM and SBTi with aims to share initial results during FY2024/25. Equally, our EPC programme continues as a priority, and we are confident we can achieve the target rating of EPC 'C' by 2027 for our assets as a first stage and the final target of EPC "B" by 2030.

Our ESG departments in both Germany and the UK, which were formed this year, have been tasked with assessing the operational and financial implications, including developing asset-by-asset plans and capex requirements to achieve our net zero and EPC ambitions. We believe these financial and operational indicators require more detailed analysis and testing by us and will continue to make progress in these areas and update as appropriate, including through our TCFD reporting.

Our social and governance programmes remain well established and accepted within both Sirius in Germany and BizSpace in the UK. Our people are at the heart of everything we do, and we continue to develop and expand our training and development offering through the Sirius Training Centre and ensure we cultivate a supportive and motivating working environment. A focus on wellbeing remains core to our people strategy, as well as maintaining our strong diversity, equity, and inclusion programme. We have also made significant progress in the development of engagement programmes targeted at benefiting the local communities in which we operate and will be able to update further at year end.

Lastly, in order to support and test the progress of our ESG roadmap, we have commenced our new ESG materiality assessment covering both Germany and the UK. This process will enable us to continue to align our ESG programme to our corporate strategy and ensure we have taken into account the views of our stakeholders. We intend to report on the findings of this process in our next Annual Report.

Outlook
Sirius is pleased with the trading performance of the first six months of the financial year, which saw continued like-for-like rent roll growth and strong cash collection rates in both Germany and the UK. The Company remains committed to a progressive dividend to its shareholders as it continues to navigate through a challenging macro-economic climate in the UK and Europe and remains well positioned to continue to grow due to its intensive asset management initiatives, diversified offerings and effective and dynamic business model.



Andrew Coombs
Chief Executive Officer

Chris Bowman
Chief Financial Officer
17 November 2023

Statement of Directors' responsibilities

Each of the Directors, whose names and functions appear below, confirm to the best of their knowledge that the unaudited condensed interim set of consolidated interim financial statements have been prepared in accordance with note 2(a), IAS 34 "Interim Financial Reporting", as issued by the IASB, and the interim management report herein includes a fair review of the information required by the Disclosure Guidance and Transparency Rules ("DTR"), namely:

- DTR 4.2.7 (R): an indication of important events that have occurred during the first six months of the financial year, and their impact on the condensed interim set of consolidated interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- DTR 4.2.8 (R): any related party transactions that have taken place in the six month period ended 30 September 2023 that have materially affected, and any changes in the related party transactions described in the 2023 Annual Report that could materially affect, the financial position or performance of Sirius Real Estate Limited during the period.

The Directors of Sirius Real Estate Limited as at the date of this announcement are set out below:

- Daniel Kitchen, Chairman*
- Caroline Britton, Senior Independent Director*
- Andrew Coombs, Chief Executive Officer
- Chris Bowman, Chief Financial Officer
- James Peggie*
- Mark Cherry*
- Kelly Cleveland*
- Joanne Kenrick*

* Non-Executive Directors.

A list of the current Directors is maintained on the Sirius Real Estate Limited website: www.sirius-real-estate.com.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Guernsey governing the preparation and dissemination of financial information differs from legislation in other jurisdictions.

By order of the Board

Andrew Coombs
Chief Executive Officer

Chris Bowman
Chief Financial Officer
17 November 2023

Independent review report

to Sirius Real Estate Limited

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2023 which comprises condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of financial position, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows, and the related notes 1 to 28. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2023 is not prepared, in all material respects, in accordance with I International Accounting Standard 34 “Interim Financial Reporting” the Disclosure Guidance and Transparency Rules of the United Kingdom’s Financial Conduct Authority, the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides, as issued by the South African Accounting Practices Committee and the Financial Pronouncements as issued by the Financial Reporting Standards Council of South Africa.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE) issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2(d), the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards as issued by the IASB. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting”, the South African Institute of Chartered Accountants (“SAICA”) Financial Reporting Guides, as issued by the South African Accounting Practices Committee, the Financial Pronouncements as issued by the Financial Reporting Standards Council of South Africa and the JSE Limited Listing requirements for condensed interim reports.

Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with:

- the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority;
- the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides, as issued by the Accounting Practices Committee;
- the Financial Pronouncements as issued by the Financial Reporting Standards Council of South Africa;
- IAS 34 “Interim Financial Reporting” and in compliance with the framework concepts and the measurement and recognition requirements of the IFRS; and
- the JSE Limited Listing requirements for condensed interim reports.

In preparing the half-yearly financial report, the directors are responsible for assessing the company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP
London
17 November 2023

Condensed interim consolidated income statement

for the six months ended 30 September 2023

	Notes	**Unaudited(1) six months ended 30 September 2023 €m**	Unaudited(1) six months ended 30 September 2022 €m
Revenue	4	**140.1**	130.6
Direct costs	5	**(58.8)**	(57.4)
Net operating income		**81.3**	73.2
(Loss)/gain on revaluation of investment properties	12	**(10.1)**	26.8
Gain on disposal of properties		**0.0**	4.8
Movement in expected credit loss provision(2)	5	**0.5**	0.3
Administrative expenses(2)	5	**(24.5)**	(25.1)
Share of profit of associates	17	**0.3**	2.6
Operating profit		**47.5**	82.6
Finance income	8	**2.3**	1.1
Finance expense	8	**(9.2)**	(9.2)
Change in fair value of derivative financial instruments	8	**(0.8)**	1.2
Net finance costs		**(7.7)**	(6.9)
Profit before tax		**39.8**	75.7
Taxation	9	**(8.1)**	(5.6)
Profit for the period after tax		**31.7**	70.1
Profit attributable to:			
Owners of the Company		**31.7**	70.0
Non-controlling interest		**0.0**	0.1
		31.7	70.1
Earnings per share			
Basic earnings per share	10	**2.71c**	6.00c
Diluted earnings per share	10	**2.67c**	5.92c

(1) Refer to note 2(a).

(2) To conform to the current period presentation, the movement in expected credit loss provision has been shown as a separate line and this is a reallocation from administrative expenses for the period ended 30 September 2022.

All operations of the Group have been classified as continuing.

Condensed interim consolidated statement of comprehensive income

for the six months ended 30 September 2023

	Notes	**Unaudited(1) six months ended 30 September 2023 €m**	Unaudited(1) six months ended 30 September 2022 €m
Profit for the period after tax		**31.7**	70.1
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods			
Foreign currency translation reserve	24	**7.6**	(19.6)
Other comprehensive income/(loss) after tax that may be reclassified to profit or loss in subsequent periods		**7.6**	(19.6)
Other comprehensive income/(loss) for the period after tax		**7.6**	(19.6)
Total comprehensive income for the period after tax		**39.3**	50.5
Total comprehensive income attributable to:			
Owners of the Company		**39.3**	50.4
Non-controlling interest		**0.0**	0.1
		39.3	50.5

(1) Refer to note 2(a).

Condensed interim consolidated statement of financial position

as at 30 September 2023

	Notes	**Unaudited[1] 30 September 2023 €m**	Audited 31 March 2023 €m
Non-current assets			
Investment properties	12	**2,129.5**	2,123.0
Plant and equipment		**7.4**	7.2
Intangible assets	14	**3.9**	4.1
Right of use assets	15	**13.5**	14.4
Other non-current financial assets	16	**48.4**	48.4
Investment in associates	17	**25.0**	26.7
Total non-current assets		**2,227.7**	2,223.8
Current assets			
Trade and other receivables	18	**28.4**	30.5
Derivative financial instruments		**0.5**	1.3
Cash and cash equivalents	19	**115.7**	124.3
Total current assets		**144.6**	156.1
Assets held for sale	13	**7.3**	8.8
Total assets		**2,379.6**	2,388.7
Current liabilities			
Trade and other payables	20	**(103.9)**	(101.5)
Interest-bearing loans and borrowings	21	**(221.8)**	(243.7)
Lease liabilities	15	**(2.3)**	(2.2)
Current tax liabilities	9	**(6.3)**	(5.4)
Total current liabilities		**(334.3)**	(352.8)
Non-current liabilities			
Interest-bearing loans and borrowings	21	**(721.4)**	(720.7)
Lease liabilities	15	**(36.5)**	(37.4)
Deferred tax liabilities	9	**(85.4)**	(80.2)
Total non-current liabilities		**(843.3)**	(838.3)
Total liabilities		**(1,177.6)**	(1,191.1)
Net assets		**1,202.0**	1,197.6
Equity			
Issued share capital	23	**—**	—
Other distributable reserve	24	**481.3**	516.4
Own shares held	23	**(8.1)**	(8.3)
Foreign currency translation reserve	24	**(11.3)**	(18.9)
Retained earnings		**739.6**	707.9
Total equity attributable to the owners of the Company		**1,201.5**	1,197.1
Non-controlling interest		**0.5**	0.5
Total equity		**1,202.0**	1,197.6

(1) Refer to note 2(a).

The financial statements on pages 13 to 42 were approved by the Board of Directors on 17 November 2023 and were signed on its behalf by:

Daniel Kitchen
Chairman

Company number: 46442

Condensed interim consolidated statement of changes in equity

for the six months ended 30 September 2023

	Notes	Issued share capital €m	Other distributable reserve €m	Own shares held €m	Foreign currency translation reserve €m	Retained earnings €m	Total equity attributable to the owners of the Company €m	Non-controlling interest €m	Total equity €m
As at 31 March 2022 (audited)		—	570.4	(6.3)	(1.7)	628.3	1,190.7	0.4	1,191.1
Profit for the period		—	—	—	—	70.0	70.0	0.1	70.1
Other comprehensive loss for the period		—	—	—	(19.6)	—	(19.6)	—	(19.6)
Total comprehensive income for the period		—	—	—	(19.6)	70.0	50.4	0.1	50.5
Dividends paid		1.4	(27.7)	—	—	—	(26.3)	—	(26.3)
Transfer of share capital		(1.4)	1.4	—	—	—	—	—	—
Share-based payment transactions		—	1.9	—	—	—	1.9	—	1.9
Value of shares withheld to settle employee tax obligations		—	(1.6)	—	—	—	(1.6)	—	(1.6)
Own shares purchased		—	—	(2.3)	—	—	(2.3)	—	(2.3)
Own shares allocated		—	—	0.3	—	—	0.3	—	0.3
As at 30 September 2022 (unaudited)[(1)]		—	544.4	(8.3)	(21.3)	698.3	1,213.1	0.5	1,213.6
Profit for the period		—	—	—	—	9.6	9.6	—	9.6
Other comprehensive income for the period		—	—	—	2.4	—	2.4	—	2.4
Total comprehensive income for the period		—	—	—	2.4	9.6	12.0	—	12.0
Dividends paid		—	(31.5)	—	—	—	(31.5)	—	(31.5)
Share-based payment transactions		—	3.6	—	—	—	3.6	—	3.6
Value of shares withheld to settle employee tax obligations		—	(0.1)	—	—	—	(0.1)	—	(0.1)
As at 31 March 2023 (audited)		—	516.4	(8.3)	(18.9)	707.9	1,197.1	0.5	1,197.6
Profit for the period		—	—	—	—	31.7	31.7	—	31.7
Other comprehensive income for the period		—	—	—	7.6	—	7.6	—	7.6
Total comprehensive income for the period		—	—	—	7.6	31.7	39.3	—	39.3
Dividends paid	25	—	(35.0)	—	—	—	(35.0)	—	(35.0)
Share-based payment transactions	7	—	1.5	—	—	—	1.5	—	1.5
Value of shares withheld to settle employee tax obligations	7	—	(1.4)	—	—	—	(1.4)	—	(1.4)
Own shares allocated	23	—	(0.2)	0.2	—	—	—	—	—
As at 30 September 2023 (unaudited)[(1)]		**—**	**481.3**	**(8.1)**	**(11.3)**	**739.6**	**1,201.5**	**0.5**	**1,202.0**

(1) Refer to note 2(a).

Condensed interim consolidated statement of cash flows

for the six months ended 30 September 2023

	Notes	**Unaudited[1] six months ended 30 September 2023 €m**	Unaudited[1] six months ended 30 September 2022 €m
Operating activities			
Profit for the period before tax		**39.8**	75.7
Gain on disposal of properties		**0.0**	(4.8)
Net exchange differences in working capital		**—**	(0.3)
Share-based payments	7	**1.5**	1.9
Loss/(gain) on revaluation of investment properties	12	**10.1**	(26.8)
Change in fair value of derivative financial instruments	8	**0.8**	(1.2)
Depreciation of property, plant and equipment	5	**1.0**	1.0
Amortisation of intangible assets	5	**0.7**	0.6
Depreciation of right of use assets	5	**0.9**	1.1
Share of profit of associates	17	**(0.3)**	(2.6)
Finance income	8	**(2.3)**	(1.1)
Finance expense	8	**9.2**	9.3
Changes in working capital			
Decrease in trade and other receivables		**1.4**	3.8
Increase/(decrease) in trade and other payables		**3.4**	(5.8)
Taxation paid		**(2.0)**	(2.7)
Cash flows from operating activities		**64.2**	48.1
Investing activities			
Purchase of investment properties		**—**	(0.8)
Prepayments relating to new acquisitions		**—**	(3.6)
Capital expenditure on investment properties		**(16.4)**	(11.9)
Purchase of plant and equipment and intangible assets		**(1.3)**	(3.2)
Proceeds on disposal of properties (including held for sale)	13	**7.3**	18.6
Dividends received from investments in associates		**2.0**	—
Increase in loan receivable due from associates		**—**	(0.1)
Interest received		**2.3**	1.1
Cash flows (used in)/from investing activities		**(6.1)**	0.1
Financing activities			
Shares purchased		**—**	(2.4)
Payment relating to exercise of share options		**(1.4)**	(1.7)
Dividends paid to owners of the Company	25	**(35.0)**	(26.2)
Repayment of loans	21	**(22.7)**	(2.7)
Payment of principal portion of lease liabilities		**(1.1)**	(0.8)
Finance charges paid		**(6.8)**	(2.8)
Cash flows used in financing activities		**(67.0)**	(36.6)
(Decrease)/increase in cash and cash equivalents		**(8.9)**	11.6
Net exchange difference		**0.3**	(0.5)
Cash and cash equivalents as at the beginning of the period		**124.3**	151.0
Cash and cash equivalents as at the period end	19	**115.7**	162.1

(1) Refer to note 2(a)

Notes forming part of the financial statements

for the six months ended 30 September 2023

1. General information

Sirius Real Estate Limited (the "Company") is a company incorporated in Guernsey and resident in the United Kingdom for tax purposes, whose shares are publicly traded on the Main Market of the London Stock Exchange ("LSE") (primary listing) and the Main Board of the Johannesburg Stock Exchange ("JSE") (primary listing).

The consolidated financial information of the Company comprises that of the Company and its subsidiaries (together referred to as the "Group" or "Sirius") for the six month period ended 30 September 2023.

The principal activity of the Group is the investment in, and development of, commercial and industrial property to provide conventional and flexible workspace in Germany and the United Kingdom ("UK").

2. Significant accounting policies

(a) Basis of preparation

The unaudited condensed interim set of consolidated financial statements has been prepared on a historical cost basis, except for investment properties, investment properties held for sale and derivative financial instruments, which have been measured at fair value. The unaudited condensed interim set of consolidated financial statements is presented in euros and all values are rounded to the nearest hundred thousand shown in millions (€m), except where otherwise indicated. For the comparative period for the six months to 30 September 2022 the values were rounded to the nearest thousand (€000) but are now shown in millions (€m) to the nearest hundred thousand. The unaudited Interim Reports in prior years were presented in euros and all values were rounded to the nearest thousand (€000).

The Group prepares its condensed interim set of financial statements in accordance with the Disclosure and Transparency Rules of the United Kingdom Financial Conduct Authority, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Limited Listings Requirements, IAS 34 "Interim Financial Reporting" and in compliance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") as well as The Companies (Guernsey) Law, 2008.

The financial information in this unaudited condensed interim set of consolidated financial statements does not comprise statutory accounts. This unaudited condensed interim set of consolidated financial statements has been reviewed, not audited, by the Group's auditor, Ernst & Young LLP, which issued an unmodified review opinion. The financial information presented for the year ended 31 March 2023 is derived from the statutory accounts for that year. Statutory accounts for the year ended 31 March 2023 were approved by the Board on 2 June 2023. The report of the auditor on those accounts was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report, and (iii) did not contain a statement under Sections 263 (2) or (3) of The Companies (Guernsey) Law, 2008.

As at 30 September 2023 the Group's unaudited condensed interim set of consolidated financial statements reflects consistent accounting policies and methods of computation as used in the previous financial year.

(b) Changes in accounting policies

There were several new, and amendments to, standards and interpretations which were applicable for the first time for the Group from 1 April 2023. None of them have had a significant impact on the condensed interim financial statements of the Group.

(c) Non-IFRS measures

The Directors have chosen to disclose EPRA earnings, EPRA net asset value metrics and EPRA loan to value, which are widely used alternative metrics to their IFRS equivalents (further details on EPRA best practice recommendations can be found at www.epra.com). Note 10 to the condensed interim financial statements includes a reconciliation of basic and diluted earnings to EPRA earnings. Note 11 to the condensed interim financial statements includes a reconciliation of net assets to EPRA net asset value metrics. Note 21 to the condensed interim financial statements includes a calculation of EPRA loan to value ratio.

The Directors are required, as part of the JSE Limited Listings Requirements, to disclose headline earnings; accordingly, headline earnings are calculated using basic earnings adjusted for revaluation gains/losses (net of related tax), gains/losses on disposal of properties (net of related tax), non-controlling interest ("NCI") relating to revaluation (net of related tax) and revaluation gain/loss on investment property relating to associates (net of related tax). Note 10 to the condensed interim financial statements includes a reconciliation between IFRS and headline earnings.

The Directors have chosen to disclose adjusted earnings in order to provide an alternative indication of the Group's underlying business performance; accordingly, it excludes the effect of adjusting items (net of related tax). Note 10 to the condensed interim financial statements includes a reconciliation of adjusting items included within adjusted earnings, with certain adjusting items stated within administrative expenses in note 5 and certain finance costs in note 8.

The Directors have chosen to disclose adjusted profit before tax and funds from operations in order to provide an alternative indication of the Group's underlying business performance and to facilitate the calculation of its dividend pool; a reconciliation between profit before tax and funds from operations is included within note 25 to the condensed interim financial statements. Within adjusted profit before tax are adjusting items as described above gross of related tax.

Further details on non-IFRS measures can be found in the business analysis section of this document.

(d) Statement of compliance

The unaudited condensed interim financial statements have been prepared in accordance with the Disclosure and Transparency Rules of the United Kingdom Financial Conduct Authority, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE

Limited Listings Requirements, IAS 34 “Interim Financial Reporting” and in compliance with the framework concepts and the measurement and recognition requirements of IFRS as well as The Companies (Guernsey) Law, 2008. They do not include all of the information required for the full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 March 2023. The unaudited condensed interim financial statements have been prepared on the basis of the accounting policies set out in the Group’s annual financial statements for the year ended 31 March 2023 except for the changes in accounting policies as shown in note 2 (b). The financial statements for the year ended 31 March 2023 have been prepared in accordance with IFRS issued by the IASB.

(e) Going concern

The Group has prepared its going concern assessment for the period to 31 March 2025 (the “going concern period”), a period greater than twelve months and chosen to include the maturity of certain loans falling due in the fourth quarter of the year ended 31 March 2025. The Directors also evaluated potential events and conditions beyond the going concern period that may cast significant doubt on the Group’s ability to continue as a going concern, with no significant transactions or events of material uncertainty identified.

The Group’s going concern assessment is based on a forecast of the Group’s future cash flows. This considers Management’s base case scenario and a severe but plausible downside scenario where sensitivities are applied to model the outcome on the occurrence of downside assumptions explained below. It considers the Group’s principal risks and uncertainties and is dependent on a number of factors including financial performance, continued access to lending facilities (see note 21) and the ability to continue to operate the Group’s secured and unsecured debt structure within its financial covenants. Within the going concern period, three of the Group’s debt facilities mature, with a €5.0m tranche of the HSBC Schuldschein loan falling due in January 2025 and a €10.0m tranche falling due in March 2025 and the €12.8m Saarbrücken Sparkasse facility falling due in February 2025. No further debt of the Group matures until June 2026.

The severe but plausible scenario models a potential downturn in the Group’s performance, including the potential impact of downside macro-factors such as geopolitical instability, future energy shortages, further cost increases due to inflation, pressures from increasing interest rates and outward yield movements on the Group’s financial position and future prospects. The cash flow projections incorporate assumptions on future trading performance and potential valuation movements in order to estimate the level of headroom on the Group’s debt facilities and covenants for loan to value, debt service cover, EPRA net asset value, unencumbered assets ratios, fixed charge ratios and occupancy ratios set out within the relevant finance agreements.

The impact of the macro-factors above has placed further pressure on the costs of the business, however this did not result in any deterioration in the Group’s income streams in the year ended 31 March 2023 or the period ended 30 September 2023 and asset values remained relatively stable throughout. However, the Directors continue to be mindful of the challenging macro-factors present in the market and maintain their view held on 31 March 2023 on the severity of the falls in valuations assessed in the severe but plausible downside scenario in the going concern period.

The base case and severe but plausible downside scenarios include the following assumptions applied to both the German and UK portfolios:

Base case:

» 5.5% growth in rent roll at 30 September 2023, principally from contractual increases in rents and organic growth through lease renewals;

» increasing cost levels in line with forecast inflation of 6% to December 2024 and 2% to March 2025;

» continuation of forecast capex investment;

» utilisation of the contractually committed Berlin Hyp AG and Deutsche Pfandbriefbank AG facilities on the maturity of existing facilities in October and December 2023;

» payment of contractual loan interest and loan amortisation amounts, refinancing of €5.0m and €10.0m Schuldschein facilities falling due in January and March 2025 respectively as well as the €12.8m Saarbrücken Sparkasse facility and utilisation of the new Berlin Hyp AG and Deutsche Pfandbriefbank AG facilities on the maturity of existing facilities in October and December 2023; and

» only acquisitions and disposals which are contractually committed are made, which includes the €40.1m disposal of Maintal which was notarised on 1 November 2023 and the €41.2m acquisition of Islington and Camden which was completed on 6 November 2023.

Severe but plausible downside scenario:

» reduction in occupancy and rental income of 10% per annum from the base case assumptions;

» reduction in service charge recovery of 10% per annum from the base case assumptions;

» reduction in property valuations of 10% per annum;

» continuation of forecast capex investment;

» continuation of forecast dividend payments in line with historic dividend payouts;

» utilisation of the contractually committed Berlin Hyp AG and Deutsche Pfandbriefbank AG facilities on the maturity of existing facilities in October and December 2023;

» payment of contractual loan interest and loan amortisation amounts, repayment of €5.0m and €10.0m Schuldschein facilities falling due in January and March 2025 respectively as well as refinancing the €12.8m Saarbrücken Sparkasse facility; and

» only acquisitions and disposals which are contractually committed are made, which includes the €40.1m disposal of Maintal which was notarised on 1 November 2023 and the €41.2m acquisition of Islington and Camden which was completed on 6 November 2023.

The Directors are of the view that there is a remote probability of a more severe scenario arising than the above severe but plausible downside scenario based upon the Group's track record of performance in challenging scenarios, most recently through the high inflationary environment in both Germany and the UK, the Covid-19 pandemic and post-pandemic period. In addition, the Group has already secured the refinancing of the €58.3m Deutsche Pfandbriefbank AG and €170.0m Berlin Hyp AG facilities in advance of their maturity dates in the going concern period.

In the severe but plausible downside scenario, the Group is expected to maintain sufficient liquidity, and comply with its loan covenants, with no covenant breaches forecasted.

The Directors are of the view that there is a high probability of securing the refinancing or an alternative source of secured or unsecured funding to replace the aggregate €15.0m Schuldschein facilities and the €12.8m Saarbrücken Sparkasse facility. This judgement has been informed by the Group's financial forecasts and the Group's track-record in previously refinancing maturing debt.

In the severe but plausible downside scenario, the Group assumes full repayment of the maturing loan obligations as they fall due, amounting to €27.8m in the going concern period. The Group's forecasts indicate sufficient free cash would be available to repay these funds in full and maintain sufficient liquidity to not require the additional mitigating actions as outlined below available to it, should the severe but plausible downside scenario come to pass.

The Group also performed a reverse stress test over the impact of a fall in its property valuations and income reductions during the going concern period. This showed that the Group could withstand a fall in valuations of 21%, before there was a loan to value covenant breach and a reduction of 26% of income before any income related covenants would breach, levels which the Group has not seen before. This is therefore considered to be a remote possibility during the going concern period. In each of the scenarios considered for going concern, the Group forecasts having sufficient free cash available and if required, could utilise available mitigating actions which would be available to the Group in the going concern review period, which include restricting dividends, reducing capital expenditure or the disposal of assets. The restriction of dividends or reducing capital expenditure are within the control of the Directors and there is sufficient time to implement these restrictions, if required. The Directors have not identified any material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern for the duration of the going concern period.

After due consideration of the going concern assessment for the period to 31 March 2025, the Board believes it is appropriate to adopt the going concern basis in preparing its financial statements.

(f) Principal risks and uncertainties

The key risks that could affect the Group's medium-term performance and the factors which mitigate these risks have not changed substantially from those set out on pages 72 to 81 of the Group's Annual Report and Accounts 2023 and have been assessed in line with the requirements of the 2018 UK Corporate Governance Code. The risks are set out below. The Board is satisfied that the Company continues to operate within its risk profile for the remaining six months of the financial year.

Principal risks summary

Risk area	Principal risk(s)
1. Financing	• Availability and pricing of debt • Leverage on returns • Compliance with loan facility covenants • Availability and pricing of equity capital • Reputational risk
2. Valuation	• Property inherently difficult to value • Susceptibility of property market to change in value
3. Markets	• Participation within two geographically diverse markets • Reliance on specific industries and the SME market • Reduction in occupancy
4. Acquisitive growth	• Decrease in number of acquisition opportunities coming to market • Failure to acquire suitable properties with desired returns
5. Organic growth	• Failure to deliver capex investment programmes • Failure to refuel capex investment programmes • Failure to achieve targeted returns from investments
6. Customer	• Decline in demand for space • Significant tenant move-outs or insolvencies • Exposure to tenants' inability to meet rental and other lease commitments • Tenant affordability
7. Regulatory and tax	• Non-compliance with tax or regulatory obligations
8. People	• Inability to recruit and retain people with the appropriate skillset to deliver the Group strategy
9. Systems and data	• System failures and loss of data • Security breaches • Data protection
10. Macro-economic environment	• Delays in cash collection and tenant insolvencies • Inflationary pressure leading to increased costs • Increasing energy costs caused by a variety of economic and geopolitical factors • Interest rate movements impacting the commercial real estate market
11. ESG	• Unforeseen costs relating to physical and transition risks associated with climate change • Reputational risk • Failure to meet shareholder and societal requirements or expectations • Restricted access to financing market due to higher requirements ("green financing")
12. Foreign currency	• Financial impact of uncontrollable foreign currency fluctuation on earnings and net asset value

3. Operating segments

Information on each operating segment based on geographical location in which the Group operates is provided to the chief operating decision maker, namely the Group's Senior Management Team, on an aggregated basis and represented as operating profit and expenses.

The investment properties that the Group owns are aggregated into segments with similar economic characteristics such as the nature of the property, the products and services it provides, the customer type for the product served, and the method in which the services are provided. The Group's Senior Management Team considers that this is best achieved through the operating segments of German assets and UK assets. The Group's investment properties are considered to be their own segment. The properties at each location (Germany and the UK) have similar economic characteristics. These have been aggregated into two operating segments based on location in accordance with the requirements of IFRS 8. The Group's Senior Management Team considers the two locations to be separate segments. Further disaggregation of the investment properties is disclosed in note 12 owing to the range in values of key inputs and assumptions underpinning the property valuation. Consequently, the Group is considered to have two reportable operating segments, as follows:

- Germany; and
- the UK.

Consolidated information by segment is provided on a net operating income basis, which includes revenues made up of gross rents from third parties and direct expenses, gains/losses on property valuations and property disposals. All of the Group's share of profit of associates and administrative expenses including amortisation and depreciation and movement in expected credit loss provision are separately disclosed as part of operating profit. Group administrative costs, finance income and expenses and change in fair value of derivative financial instruments are disclosed.

Income taxes and depreciation are not reported to the Senior Management Team on a segmented basis. There are no sales between segments. There is no single tenant that makes up more than 10% of each segment's revenue or Group revenue.

	Unaudited six months ended 30 September 2023			Unaudited six months ended 30 September 2022		
	Germany €m	**UK €m**	**Total €m**	Germany €m	UK €m	Total €m
Rental income from investment properties	**62.5**	**17.7**	**80.2**	58.1	19.3	77.4
Rental income from managed properties	**—**	**—**	**—**	2.3	—	2.3
Other income from investment properties	**1.9**	**0.4**	**2.3**	1.7	0.4	2.1
Service charge income from investment properties	**37.2**	**12.0**	**49.2**	31.0	8.5	39.5
Other income from managed properties	**3.1**	**—**	**3.1**	2.5	—	2.5
Service charge income from managed properties	**5.3**	**—**	**5.3**	6.8	—	6.8
Revenue	**110.0**	**30.1**	**140.1**	102.4	28.2	130.6
Direct costs	**(48.5)**	**(10.3)**	**(58.8)**	(48.3)	(9.1)	(57.4)
Net operating income	**61.5**	**19.8**	**81.3**	54.1	19.1	73.2
(Loss)/gain on revaluation of investment properties	**8.4**	**(18.5)**	**(10.1)**	19.4	7.4	26.8
Gain on disposal of properties	**0.0**	**—**	**0.0**	—	4.8	4.8
Depreciation and amortisation	**(2.1)**	**(0.5)**	**(2.6)**	(2.1)	(0.7)	(2.8)
Movement in expected credit loss provision(1)	**0.5**	**—**	**0.5**	0.3	—	0.3
Other administrative expenses(1)	**(16.8)**	**(5.1)**	**(21.9)**	(19.0)	(3.3)	(22.3)
Share of profit of associates	**0.3**	**—**	**0.3**	2.6	—	2.6
Operating profit/(loss)	**51.8**	**(4.3)**	**47.5**	55.3	27.3	82.6
Finance income	**1.5**	**0.8**	**2.3**	1.1	—	1.1
Amortisation of capitalised finance costs	**(1.5)**	**—**	**(1.5)**	(1.6)	—	(1.6)
Other finance expense	**(5.6)**	**(2.1)**	**(7.7)**	(5.5)	(2.1)	(7.6)
Change in fair value of derivative financial instruments	**(0.8)**	**—**	**(0.8)**	1.2	—	1.2
Net finance costs	**(6.4)**	**(1.3)**	**(7.7)**	(4.8)	(2.1)	(6.9)
Segment profit/(loss) for the period before tax	**45.4**	**(5.6)**	**39.8**	50.5	25.2	75.7

(1) To conform to the current period presentation, the movement in expected credit loss provision has been shown as a separate line and this is a reallocation from other administrative expenses for the period ended 30 September 2022.

	Unaudited 30 September 2023			Audited 31 March 2023		
	Germany €m	**UK €m**	**Total €m**	Germany €m	UK €m	Total €m
Segment assets						
Investment properties	**1,703.9**	**425.6**	**2,129.5**	1,691.6	431.4	2,123.0
Investment in associates	**25.0**	**—**	**25.0**	26.7	—	26.7
Other non-current assets(1)	**21.4**	**3.4**	**24.8**	21.9	3.8	25.7
Total segment non-current assets	**1,750.3**	**429.0**	**2,179.3**	1,740.2	435.2	2,175.4

(1) Consists of plant and equipment, intangible assets and right of use assets.

4. Revenue

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Rental income from investment properties	**80.2**	77.4
Rental income from managed properties	**—**	2.3
Other income from investment properties	**2.3**	2.1
Service charge income from investment properties	**49.2**	39.5
Other income from managed properties	**3.1**	2.5
Service charge income from managed properties	**5.3**	6.8
Total revenue	**140.1**	130.6

Other income relates to income associated with conferencing and catering of €2.3m (30 September 2022: €2.1m) and fee income from managed properties of €3.1m (30 September 2022: €2.5m).

Total revenue from contracts with customers includes service charge income and other income totalling €51.5m from investment properties (30 September 2022: €41.6m) and €8.4m from managed properties (30 September 2022: €9.3m).

A reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information (see note 3) is as follows:

	Unaudited six months ended 30 September 2023			Unaudited six months ended 30 September 2022		
	Germany €m	**UK €m**	**Total €m**	Germany €m	UK €m	Total €m
Rental income from investment properties	**62.5**	**17.7**	**80.2**	58.1	19.3	77.4
Rental income from managed properties	**—**	**—**	**—**	2.3	—	2.3
Total rental income	**62.5**	**17.7**	**80.2**	60.4	19.3	79.7
Other income from investment properties	**1.9**	**0.4**	**2.3**	1.7	0.4	2.1
Service charge income from investment properties	**37.2**	**12.0**	**49.2**	31.0	8.5	39.5
Other income from managed properties	**3.1**	**—**	**3.1**	2.5	—	2.5
Service charge income from managed properties	**5.3**	**—**	**5.3**	6.8	—	6.8
Total revenue from contracts with customers	**47.5**	**12.4**	**59.9**	42.0	8.9	50.9
Total revenue	**110.0**	**30.1**	**140.1**	102.4	28.2	130.6

5. Operating profit

The following items have been charged in arriving at operating profit:

Direct costs

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Service charge costs relating to investment properties	**48.8**	45.0
Costs relating to managed properties	**6.5**	9.8
Non-recoverable maintenance costs	**3.5**	2.6
Direct costs	**58.8**	57.4

Movement in expected credit loss provision

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Expected credit loss recognised	**8.2**	7.4
Expected credit loss reversed	**(8.7)**	(7.7)
Movement in expected credit loss provision(1)	**(0.5)**	(0.3)

(1) To conform to the current period presentation, the movement in expected credit loss provision has been shown as a separate line in the condensed interim consolidated income statement and this is a reallocation from other administrative expenses for the period ended 30 September 2022.

The expected credit loss provision has decreased during the period mainly due to the decrease of gross trade receivables.

Administrative expenses

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Audit and non-audit fees to audit firm	**0.6**	0.6
Legal and professional fees	**3.0**	2.7
Other administration costs	**2.8**	2.6
Share-based payments	**1.5**	1.9
Employee costs	**11.7**	11.8
Director fees and expenses	**0.3**	0.3
Depreciation of plant and equipment	**1.0**	1.1
Amortisation of intangible assets	**0.7**	0.6
Depreciation of right of use assets (see note 15)	**0.9**	1.1
Marketing	**1.7**	1.3
Exceptional items	**0.3**	1.1
Administrative expenses(1)	**24.5**	25.1

(1) To conform to the current period presentation, the movement in expected credit loss provision has been shown as a separate line in the condensed interim consolidated income statement and this is a reallocation from other administrative expenses for the period ended 30 September 2022.

Other administration costs include net foreign exchange losses in amount of €0.02m as a result of declining British pound sterling ("GBP") rates throughout the period (30 September 2022: €0.3m loss as a result of declining British pound sterling ("GBP") rates throughout the period).

Employee costs as stated above relate to costs which are not recovered through service charge.

Exceptional items relate to the following:

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Other fees for projects(1)	**—**	2.9
Legal case costs(2)	**0.3**	0.3
Lease agreement termination fees(3)	**—**	0.9
Decrease in tax liabilities recognised on acquisition of BizSpace Group(4)	**—**	(3.0)
Total	**0.3**	1.1

(1) The other fees for projects amounting to €2.9m for the period ended 30 September 2022 were related to capital management measures undertaken by the Group. These measures are non-recurring in nature, outside the normal course of business and have been identified as exceptional items.

(2) The legal case costs amounting to €0.3m relates to one legal case (see note 20). The legal cases in the period ended 30 September 2022 amounting to €0.3m relates to multiple legal cases including the legal case mentioned in note 20. These legal cases are non-recurring in nature, outside the normal course of business and have been identified as exceptional items.

(3) The lease agreement termination fee amounting to €0.9m for the period ended 30 September 2022 was compensation for early termination of a rental contract at the end of July 2022 within the UK segment of the Group. These termination fees are non-recurring in nature, outside the normal course of business and have been identified as exceptional items.

(4) In the period ended 30 September 2022, the Group identified an error in the accrual of tax liabilities arising in the BizSpace Group as at 31 March 2022, resulting in an overstatement of the tax liability of €5.0m, of which €3.0m arose on acquisition. These were assessed as not being material to the 31 March 2022 financial statements and the reduction in the liability was recorded in the financial statements for the six months ended 30 September 2022. The amounts have been recorded within administrative expenses under exceptional items and the taxation (see note 9) lines of the income statement.

6. Employee costs and numbers

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Wages and salaries	**15.4**	14.6
Social security costs	**2.5**	2.2
Defined contribution pension scheme	**0.2**	0.2
Other employment costs	**0.4**	0.4
Total	**18.5**	17.4

Included in the costs related to wages and salaries for the period are expenses of €1.5m (30 September 2022: €1.9m) relating to the granting or award of shares (see note 7). The costs for all periods include those relating to Executive Directors.

All employees are employed directly by one of the following Group subsidiary companies: Sirius Facilities GmbH, Sirius Facilities (UK) Limited, Curris Facilities & Utilities Management GmbH, SFG NOVA GmbH, Sirius Finance (Cyprus) Limited, BizSpace Limited, BizSpace II Limited, M25 Business Centres Limited and Sirius Corporate Services B.V. The average number of people employed by the Group during the period was 407 (30 September 2022: 413) expressed in full-time equivalents. In addition, as at 30 September 2023, the Board of Directors consists of six Non-Executive Directors (30 September 2022: six) and two Executive Directors (30 September 2022: two).

7. Employee schemes

Equity-settled share-based payments

2018 LTIP

The LTIP for the benefit of the Executive Directors and the Senior Management Team was approved in 2018. Awards granted under the LTIP are made in the form of nil-cost options which vest after the three year performance period with vested awards being subject to a further holding period of two years. Awards are split between ordinary and outperformance awards. Ordinary awards carry both adjusted net asset value per share ("TNR") (two-thirds of award) and relative total shareholder return ("TSR") (one-third of award) performance conditions and outperformance awards carry a sole TNR performance condition. Awards are equity settled. The employees' tax obligation will be determined upon the vesting date of the share issue.

The following assumptions were used in calculating the fair value per share for the TNR and TSR elements of the awards that were granted:

	June 2019 grant		**June 2020 grant**	
	TNR	TSR	TNR	TSR
Valuation methodology	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo
Calculation for	2/3 ordinary award/ outperformance award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award
Total charge for the award – €m	2.1		2.3	
Expected lapse rate	0%	0%	0%	0%
Share price at grant date – €	0.73	0.73	0.84	0.84
Exercise price – €	nil	nil	nil	nil
Expected volatility – %(1)	23.8	23.8	38.5	38.5
Performance projection period – years	2.80	2.67	2.79	2.67
Expected dividend yield – %	4.56	4.56	4.28	4.28
Risk-free rate based on European	(0.695) p.a.	(0.695) p.a.	(0.68) p.a.	(0.68) p.a.
Expected outcome of performance conditions – %	100/25	100	88.8	n/a
Fair value per share – €	0.643	0.340	0.745	0.564
Weighted average fair value of share – €(2)	0.54		0.68	
Number of shares granted	2,506,667/690,000	1,253,333(3)	2,400,000	1,200,000
Forfeited during the performance period	—		500,000	

(1) Assumptions considered in this model include: expected volatility of the Company's share price, as determined by calculating the historical volatility of the Company's share price over the period immediately prior to the date of grant and commensurate with the expected life of the awards; dividend yield based on the actual dividend yield as a percentage of the share price at the date of grant; performance projection period; risk-free rate; and correlation between comparators.

(2) Charges for the awards are based on fair values calculated at the grant date and expensed on a straight-line basis over the period that individuals are providing service to the Group in respect of the awards.

(3) Another 93,039 share awards have been granted throughout the performance period as part of dividend equivalents.

The June 2019 grant vested on 18 July 2022. Vesting was at partial level for all participants resulting in the exercise of 1,620,093 shares with a weighted average share price of €1.02 at the date of exercise. 1,391,585 shares have been surrendered in relation to the partial settlement of certain participants' tax liabilities arising in respect of the vesting. An amount of €1.6m was paid for the participants' tax liabilities.

The remaining 1,531,361 shares vested on 23 November 2022. Final vesting resulted in the exercise of 811,621 shares with a weighted average share price of €1.02 at the date of exercise. 719,740 shares have been surrendered in relation to the settlement of certain participants' tax liabilities arising in respect of the vesting.

The June 2020 grant vested on 22 May 2023. Vesting resulted in the exercise of 1,859,000 shares with a weighted average share price of €1.02 at the date of exercise. 1,241,000 shares have been surrendered in relation to the partial settlement of certain participants' tax liabilities arising in respect of the vesting. An amount of €1.3m was paid for the participants' tax liabilities.

2021 LTIP

The LTIP for the benefit of the Executive Directors and the Senior Management Team was approved in 2021. Awards granted under the LTIP are made in the form of nil-cost options which vest after the three year performance period with vested awards being subject to a further restricted period of two years when shares acquired on exercise cannot be sold. Awards are subject to TNR (two-thirds of award) and relative TSR (one-third of award) performance conditions. Awards are equity settled. The employees' tax obligation will be determined upon the vesting date of the share issue.

The following assumptions were used in calculating the fair value per share for the TNR and TSR elements of the awards that were granted:

	August 2021 grant		**July 2022 grant**		**June 2023 grant**		**September 2023 grant**	
	TNR	TSR	TNR	TSR	TNR	TSR	TNR	TSR
Valuation methodology	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo
Calculation for	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award
Total charge for the award – €m	4.7		2.6		2.9		0.8	
Expected lapse rate	0%	0%	0%	0%	0%	0%	0%	0%
Share price at grant date – €	1.39	1.39	1.05	1.05	1.04	1.04	1.03	1.03
Exercise price – €	nil	nil	nil	nil	nil	nil	nil	nil
Expected volatility – %(1)	40.5	40.5	41.2	41.2	32.7	32.7	31.4	31.4
Expected life – years	2.91	2.91	2.95	2.95	2.97	2.97	2.68	2.68
Performance projection period – years	2.66	2.66	2.70	2.70	2.81	2.81	2.52	2.52
Expected dividend yield – %	2.79	2.79	4.21	4.21	5.52	5.52	5.47	5.47
Risk-free rate based on European treasury bonds rate of return – %	(0.817) p.a.	(0.817) p.a.	0.609 p.a.	0.609 p.a.	2.65 p.a.	2.65 p.a.	3.05 p.a.	3.05 p.a.
Fair value per share – €	1.28(2)	0.84(3)	0.93(2)	0.40(3)	0.88(2)	0.59(3)	0.89(2)	0.71(3)
Weighted average fair value of share – €(4)	1.13		0.75		0.77		0.83	
Number of shares granted	2,769,413	1,384,706	2,320,019	1,160,009	2,462,171	1,231,086	604,001	302,001
Forfeited during the performance period	725,000		635,000		—		—	

(1) Expected volatility of the Company's share price was determined by calculating the historical volatility of the Company's share price over the period immediately prior to the date of grant, commensurate with the term to the end of the performance period.

(2) In accordance with IFRS 2, TNR is classed as a non-market performance condition. As such, the fair value has been calculated using a Black-Scholes model and does not take the expected outcome of the performance condition into account. The Company currently estimates the expected vesting outcome for the TNR award to be 100%.

(3) In accordance with IFRS 2, relative TSR is classed as a market-based performance condition. As such, projected performance and the likelihood of achieving the condition have been taken into account when calculating the fair value using a Monte-Carlo model. The model also uses assumptions for the expected volatility of comparator companies, the pairwise correlation between comparator companies and TSR performance between the start of the performance period and the date of grant.

(4) Charges for the awards are based on fair values calculated at the grant date and expensed on a straight-line basis over the period that individuals are providing service to the Group in respect of the awards.

2021 SIP

A SIP for the benefit of senior employees was approved in 2021. Awards granted under the SIP are made in the form of a conditional right to receive a specified number of shares for nil cost which vest after the three year performance period with vested awards being subject to a further restricted period of one year when shares cannot be sold. Awards are subject to TNR (two-thirds of award) and relative TSR (one-third of award) performance conditions. Awards are equity settled. The employees' tax obligation will be determined upon the vesting date of the share issue.

The following assumptions were used in calculating the fair value per share for the TNR and TSR elements of the awards that were granted:

	September 2021 grant		April 2022 grant		August 2022 grant		June 2023 (UK) grant		June 2023 grant		September 2023 grant	
	TNR	TSR	TNR	TSR	TNR	TSR	TNR	TSR	TNR	TSR	TNR	TSR
Valuation methodology	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo	Black-Scholes	Monte-Carlo
Calculation for	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award	2/3 ordinary award	1/3 ordinary award
Total charge for the award – €m	3.7		0.03		1.5		1.3		0.4		0.4	
Expected lapse rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Share price at grant date – €	1.49	1.49	1.51	1.51	1.13	1.13	1.04	1.04	1.04	1.04	1.03	1.03
Exercise price – €	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Expected volatility – %[1]	40.7	40.7	32.5	32.5	29.7	29.7	32.7	32.7	32.7	32.7	31.3	31.3
Expected life – years	3.48	3.48	2.92	2.92	2.58	2.58	3.73	3.73	2.97	2.97	3.49	3.49
Performance projection period – years	2.56	2.56	2.00	2.00	1.66	1.66	2.81	2.81	2.81	2.81	2.57	2.57
Expected dividend yield – %	2.60	2.60	2.93	2.93	3.96	3.96	5.52	5.52	5.52	5.52	5.60	5.60
Risk-free rate based on European treasury bonds rate of return – %	(0.737) p.a.	(0.737) p.a.	(0.074) p.a.	(0.074) p.a.	0.184 p.a.	0.184 p.a.	2.65 p.a.	2.65 p.a.	2.65 p.a.	2.65 p.a.	2.82 p.a.	2.82 p.a.
Fair value per share – €	1.36[2]	0.92[3]	1.39[2]	0.89[3]	1.02[2]	0.46[3]	0.85[2]	0.56[3]	0.88[2]	0.60[3]	0.85[2]	0.65[3]
Weighted average fair value of share – €[4]	1.21		1.22		0.83		0.77		0.77		0.78	
Number of shares granted	2,049,667	1,024,833	20,000	10,000	1,166,667	583,333	1,166,667	583,333	333,333	166,667	426,667	213,333
Forfeited during the perf. period	366,000		—		350,000		—		—		—	

(1) Expected volatility of the Company's share price was determined by calculating the historical volatility of the Company's share price over the period immediately prior to the date of grant, commensurate with the term to the end of the performance period.

(2) In accordance with IFRS 2, TNR is classed as a non-market performance condition. As such, the fair value has been calculated using a Black-Scholes model and does not take the expected outcome of the performance condition into account. The Company currently estimates the expected vesting outcome for the TNR award to be 100%.

(3) In accordance with IFRS 2, relative TSR is classed as a market-based performance condition. As such, projected performance and the likelihood of achieving the condition have been taken into account when calculating the fair value using a Monte-Carlo model. The model also uses assumptions for the expected volatility of comparator companies, the pairwise correlation between comparator companies and TSR performance between the start of the performance period and the date of grant.

(4) Charges for the awards are based on fair values calculated at the grant date and expensed on a straight-line basis over the period that individuals are providing service to the Group in respect of the awards.

Deferred Bonus Plan

The Deferred Bonus Plan ("DBP") is subject to rules approved by the Board and to the Directors' Remuneration Policy (approved by shareholders triennially) for Executive Directors of Sirius Real Estate Limited only.

The Executive Directors consisting of the Chief Executive Officer, the Chief Financial Officer and the Chief Investment Officer of the Company are currently required to participate in the DBP.

The participants are subject to annual performance bonus conditions and objectives to be agreed by the Remuneration Committee. At the end of the applicable financial year, and on receipt of an annual performance bonus, as determined by the Remuneration Committee, 50% or 65% depending on the participants are awarded as cash with the remainder transferred into shares in the Company. Of the remaining 50% or 35% for certain participants to be transferred in shares, half is deferred for one year and the remaining half is deferred for two years.

For the period ended 30 September 2023, an amount of €0.1m was paid for the participants' DBP tax liabilities.

Number of share awards

Movements in the number of awards outstanding are as follows:

	Unaudited six months ended 30 September 2023		Audited year ended 31 March 2023	
	Number of share awards	**Weighted average exercise price €m**	Number of share awards	Weighted average exercise price €m
Balance outstanding as at the beginning of the period (nil exercisable)	**14,478,647**	—	15,278,619	—
Maximum granted during the period	**7,489,259**	—	5,353,067	—
Forfeited during the period	**(966,000)**	—	(1,610,000)	—
Exercised during the period	**(1,859,000)**	—	(2,431,714)	—
Shares surrendered to cover employee tax obligations	**(1,241,000)**	—	(2,111,325)	—
Balance outstanding as at period end (nil exercisable)	**17,901,906**	—	14,478,647	—

Employee benefit schemes

A reconciliation of share-based payments and employee benefit schemes and their impact on the condensed interim consolidated income statement is as follows:

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Charge relating to 2018 LTIP – June 2019 grant	—	—
Charge relating to 2018 LTIP – June 2020 grant	—	0.4
Charge relating to 2021 LTIP – August 2021 grant	**0.2**	0.8
Charge relating to 2021 LTIP – July 2022 grant	**0.2**	0.2
Charge relating to 2021 LTIP – June 2023 grant	**0.3**	—
Charge relating to 2021 LTIP – September 2023 grant	**0.0**	—
Charge relating to 2021 SIP – September 2021 grant	**0.2**	0.5
Charge relating to 2021 SIP – April 2022 grant	**0.0**	0.0
Charge relating to 2021 SIP – August 2022 grant	**0.2**	0.0
Charge relating to 2021 SIP – June 2023 grant	**0.2**	—
Charge relating to 2021 SIP – September 2023 grant	**0.0**	—
DBP	**0.2**	—
Total condensed interim consolidated income statement charge relating to share-based payments	**1.5**	1.9

An amount of €1.5m (30 September 2022: €1.9m) is recognised in other distributable reserves as per the condensed interim consolidated statement of changes in equity. In addition, an amount of €1.4m (30 September 2022: €1.6m) has been paid for participants' tax liabilities in relation to share-based payment schemes.

8. Finance income, finance expense and change in fair value of derivative financial instruments

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Bank interest income	**1.2**	—
Finance income from associates	**1.1**	1.1
Finance income	**2.3**	1.1
Bank loan interest expense	**(6.8)**	(6.8)
Interest expense related to lease liabilities (see note 15)	**(0.6)**	(0.5)
Amortisation of capitalised finance costs	**(1.5)**	(1.6)
Total interest expense	**(8.9)**	(8.9)
Bank charges	**(0.3)**	(0.3)
Other finance costs	**(0.3)**	(0.3)
Finance expense	**(9.2)**	(9.2)
Change in fair value of derivative financial instruments	**(0.8)**	1.2
Net finance expense	**(7.7)**	(6.9)

The change in fair value of derivative financial instruments of €(0.8)m (30 September 2022: €1.2m) reflects the change in the market valuation of these financial instruments.

9. Taxation

Condensed interim consolidated income statement

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Current income tax		
Current income tax charge	**(2.6)**	(2.0)
Current income tax charge relating to disposal of investment properties	—	(0.1)
Adjustment in respect of prior periods	**(0.3)**	1.8(1)
Total current income tax	**(2.9)**	(0.3)
Deferred tax		
Relating to origination and reversal of temporary differences	**(5.2)**	(5.3)
Total deferred tax	**(5.2)**	(5.3)
Income tax charge reported in the income statement	**(8.1)**	(5.6)

(1) In the period ended 30 September 2022, the Group identified an error in the accrual of tax liabilities arising in BizSpace Group as at 31 March 2022, resulting in an overstatement of the tax liability of €5.0m of which €3.0m arose on acquisition. These were assessed as not being material to the 31 March 2022 financial statements and the reduction in the liability was recorded in the six months ended 30 September 2022 financial statements. The amounts have been recorded within administrative expenses under exceptional items (see note 5) and the taxation line of the income statement.

Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m	**Unaudited 30 September 2023 €m**	Audited 31 March 2023 €m	**Unaudited 30 September 2023 €m**	Audited 31 March 2023 €m
Revaluation of investment property	—	—	**(103.1)**	(99.5)	**(103.1)**	(99.5)
Lease incentives	—	—	**(0.7)**	(0.7)	**(0.7)**	(0.7)
Fixed asset temporary differences	—	—	—	(0.1)	**—**	(0.1)
Financial instruments	—	—	**(0.1)**	(0.2)	**(0.1)**	(0.2)
Fair value adjustment on leased investment properties	**3.7**	3.9	**(3.6)**	(3.8)	**0.1**	0.1
Recognised tax losses	**18.4**	20.2	—	—	**18.4**	20.2
Deferred tax assets/(liabilities)	**22.1**	24.1	**(107.5)**	(104.3)	**(85.4)**	(80.2)

For accounting periods beginning on or after 1 January 2023 IASB ED/2019/5 amended the application of the initial recognition exemption for transactions giving rise to offsetting deferred tax assets and deferred tax liabilities. In respect of IFRS 16, the Group adopted the amendments to the initial recognition exemption under IAS 12 already in the year ended 31 March 2022 and recognises a deferred tax asset in respect of the IFRS 16 lease liabilities and a deferred tax liability in respect of IFRS 16 right of use, resulting in a net deferred tax asset for the year ended 31 March 2023.

The movement in deferred tax during the period is as follows:

	Audited 31 March 2023 €m	Recognised in income €m	Exchange differences €m	**Unaudited 30 September 2023 €m**
Revaluation of investment property	(99.5)	(3.6)	—	**(103.1)**
Lease incentives	(0.7)	—	—	**(0.7)**
Fixed asset temporary differences	(0.1)	0.1	—	**—**
Financial instruments	(0.2)	0.1	—	**(0.1)**
Fair value adjustment on leased investment properties	0.1	—	—	**0.1**
Recognised tax losses	20.2	(1.8)	—	**18.4**
Total	(80.2)	(5.2)	—	**(85.4)**

The Group has not recognised a deferred tax asset on €251.8m (31 March 2023: €240.2m) of tax losses carried forward and future share scheme deductions due to uncertainties over recovery. There is no expiration date on €251.8m of the losses and future share scheme tax deductions will convert to tax losses on realisation.

A change in ownership of the Group may result in restriction on the Group's ability to use tax losses in certain tax jurisdictions.

A deferred tax liability is recognised on temporary differences of €nil (31 March 2023: €nil) relating to the unremitted earnings of overseas subsidiaries as the Group is able to control the timing of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets		Liabilities		Net	
	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m	**Unaudited 30 September 2023 €m**	Audited 31 March 2023 €m	**Unaudited 30 September 2023 €m**	Audited 31 March 2023 €m
UK	**—**	—	**—**	—	**—**	—
Germany	**22.1**	24.1	**(107.5)**	(104.3)	**(85.4)**	(80.2)
Cyprus	**—**	—	**—**	—	**—**	—
Deferred tax assets/(liabilities)	**22.1**	24.1	**(107.5)**	(104.3)	**(85.4)**	(80.2)

	Assets		Liabilities		Net	
	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m	**Unaudited 30 September 2023 €m**	Audited 31 March 2023 €m	**Unaudited 30 September 2023 €m**	Audited 31 March 2023 €m
UK	**0.1**	—	**—**	(0.4)	**0.1**	(0.4)
Germany	**—**	—	**(6.0)**	(4.6)	**(6.0)**	(4.6)
Cyprus	**—**	—	**(0.4)**	(0.4)	**(0.4)**	(0.4)
Current tax assets/(liabilities)	**0.1**	—	**(6.4)**	(5.4)	**(6.3)**	(5.4)

10. Earnings per share

The calculation of the basic, diluted, EPRA, headline and adjusted earnings per share are based on the following data:

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Earnings attributable to the owners of the Company		
Basic earnings	**31.7**	70.0
Diluted earnings	**31.7**	70.0
EPRA earnings	**48.2**	41.2
Diluted EPRA earnings	**48.2**	41.2
Headline earnings	**47.5**	42.6
Diluted headline earnings	**47.5**	42.6
Adjusted		
Basic earnings	**31.7**	70.0
Add loss/(deduct gain) on revaluation of investment properties	**10.1**	(26.8)
Deduct gain on disposal of properties	**0.0**	(4.8)
Tax in relation to the revaluation gains/losses of investment properties and gains/losses on disposal of properties above less REIT related tax effects	**5.3**	5.6
Add loss/(deduct gain) on revaluation of investment property relating to associates	**0.5**	(1.9)
Tax in relation to the revaluation gains/losses on investment property relating to associates above	**(0.1)**	0.5
Headline earnings after tax	**47.5**	42.6
Add/(deduct) change in fair value of derivative financial instrument (net of related tax and NCI)	**0.7**	(1.4)
Deduct revaluation loss relating to leased investment properties	**(0.7)**	(0.9)
Add adjusting items (net of related tax and NCI)[1]	**1.8**	3.0
Adjusted earnings after tax	**49.3**	43.3
Number of shares		
Weighted average number of ordinary shares for the purpose of basic, headline, adjusted and basic EPRA earnings per share	**1,169,697,061**	1,167,383,139
Weighted average number of ordinary shares for the purpose of diluted earnings, diluted headline earnings, diluted adjusted earnings and diluted EPRA earnings per share	**1,185,416,141**	1,183,403,147
Basic earnings per share	**2.71c**	6.00c
Diluted earnings per share	**2.67c**	5.92c
Basic EPRA earnings per share	**4.12c**	3.53c
Diluted EPRA earnings per share	**4.07c**	3.48c
Headline earnings per share	**4.06c**	3.65c
Diluted headline earnings per share	**4.01c**	3.60c
Adjusted earnings per share	**4.21c**	3.71c
Adjusted diluted earnings per share	**4.16c**	3.66c

(1) See reconciliation between adjusting items as stated within earnings per share and those stated within administrative expenses in note 5.

	Notes	**Unaudited six months ended 30 September 2023 €m**	Unaudited six months ended 30 September 2022 €m
Exceptional items	5	**0.3**	1.1
Share-based payments	5	**1.5**	1.9
Adjusting items as per note 10		**1.8**	3.0

The following table shows the reconciliation of basic to headline earnings, separately disclosing the impact before tax (gross column) and after tax (net column):

	Unaudited six months ended 30 September 2023		Unaudited six months ended 30 September 2022	
	Gross €m	**Net €m**	Gross €m	Net €m
Basic earnings		**31.7**		70.0
Add loss/(deduct gain) on revaluation of investment properties	**10.1**	**15.4**	(26.8)	(21.3)
Deduct gain on disposal of properties	**0.0**	**0.0**	(4.8)	(4.7)
NCI relating to revaluation	**—**	**—**	0.1	—
Add loss/(deduct gain) on revaluation of investment property relating to associates	**0.5**	**0.4**	(1.9)	(1.4)
Headline earnings		**47.5**		42.6

EPRA earnings

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Basic and diluted earnings attributable to owners of the Company	**31.7**	70.0
Add loss/(deduct gain) on revaluation of investment properties	**10.1**	(26.8)
Deduct gain on disposal of properties (net of related tax)	**0.0**	(4.7)
Change in fair value of derivative financial instruments	**0.8**	(1.2)
Deferred tax in respect of EPRA fair value movements on investment properties	**5.2**	5.3
Add loss/(deduct gain) on revaluation of investment property relating to associates	**0.5**	(1.9)
Tax in relation to the revaluation gains/losses on investment property relating to associates	**(0.1)**	0.5
EPRA earnings	**48.2**	41.2

For more information on EPRA earnings refer to Annex 1.

For the calculation of basic, headline, adjusted, EPRA and diluted earnings per share the number of shares does not include 7,292,222 own shares held (30 September 2022: 7,492,763 shares), which are held by an Employee Benefit Trust on behalf of the Group.

The weighted average number of shares for the purpose of diluted, diluted EPRA, diluted headline and adjusted diluted earnings per share is calculated as follows:

	Unaudited six months ended 30 September 2023	Unaudited six months ended 30 September 2022
Weighted average number of ordinary shares for the purpose of basic, basic EPRA, headline and adjusted earnings per share	**1,169,697,061**	1,167,383,139
Weighted average effect of grant of LTIP and SIP shares	**15,719,080**	16,020,008
Weighted average number of ordinary shares for the purpose of diluted, diluted EPRA, diluted headline and adjusted diluted earnings per share	**1,185,416,141**	1,183,403,147

11. Net asset value per share

	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Net asset value		
Net asset value for the purpose of assets per share (assets attributable to the owners of the Company)	**1,201.5**	1,197.1
Deferred tax liabilities (see note 9)	**85.4**	80.2
Derivative financial instruments at fair value	**(0.5)**	(1.3)
Adjusted net asset value attributable to the owners of the Company	**1,286.4**	1,276.0
Number of shares		
Number of ordinary shares for the purpose of net asset value per share and adjusted net asset value per share	**1,170,430,763**	1,168,371,222
Number of ordinary shares for the purpose of EPRA NTA per share	**1,188,332,669**	1,182,849,869
Net asset value per share	**102.65c**	102.46c
Adjusted net asset value per share	**109.91c**	109.21c
EPRA NTA per share	**108.51c**	108.11c

Unaudited 30 September 2023	**EPRA NRV €m**	**EPRA NTA €m**	**EPRA NDV €m**
Net asset value as at period end (basic)	**1,201.5**	**1,201.5**	**1,201.5**
Diluted EPRA net asset value at fair value	**1,201.5**	**1,201.5**	**1,201.5**
Group			
Derivative financial instruments at fair value	**(0.5)**	**(0.5)**	**n/a**
Deferred tax in respect of EPRA fair value movements on investment properties	**85.4**	**85.2**(1)	**n/a**
Intangibles as per note 14	**n/a**	**(3.9)**	**n/a**
Fair value of fixed interest rate debt	**n/a**	**n/a**	**114.7**
Real estate transfer tax	**165.3**	**n/a**	**n/a**
Investment in associate			
Deferred tax in respect of EPRA fair value movements on investment properties	**7.1**	**7.1**(1)	**n/a**
Fair value of fixed interest rate debt	**n/a**	**n/a**	**9.7**
Real estate transfer tax	**9.4**	**n/a**	**n/a**
Total EPRA NRV, NTA and NDV	**1,468.2**	**1,289.4**	**1,325.9**
EPRA NRV, NTA and NDV per share	**123.55c**	**108.51c**	**111.58c**

Audited 31 March 2023	EPRA NRV €m	EPRA NTA €m	EPRA NDV €m
Net asset value as at period end (basic)	1,197.1	1,197.1	1,197.1
Diluted EPRA net asset value at fair value	1,197.1	1,197.1	1,197.1
Group			
Derivative financial instruments at fair value	(1.3)	(1.3)	n/a
Deferred tax in respect of EPRA fair value movements on investment properties	80.2	80.1(1)	n/a
Intangibles as per note 14	n/a	(4.1)	n/a
Fair value of fixed interest rate debt	n/a	n/a	99.2
Real estate transfer tax	164.4	n/a	n/a
Investment in associate			
Deferred tax in respect of EPRA fair value movements on investment properties	7.0	7.0(1)	n/a
Fair value of fixed interest rate debt	n/a	n/a	9.9
Real estate transfer tax	9.3	n/a	n/a
Total EPRA NRV, NTA and NDV	1,456.7	1,278.8	1,306.2
EPRA NRV, NTA and NDV per share	123.15c	108.11c	110.43c

(1) The Group intends to hold and does not intend in the long term to sell any of the investment properties and has excluded such deferred taxes for the whole portfolio as at period end except for deferred tax in relation to assets held for sale.

For more information on adjusted net asset value and EPRA NRV, NTA and NDV, refer to Annex 1.

The number of ordinary shares for the purpose of EPRA NRV, NTA and NDV per share is calculated as follows:

	Unaudited 30 September 2023	Audited 31 March 2023
Number of ordinary shares for the purpose of net asset value per share and adjusted net asset value per share	**1,170,430,763**	1,168,371,222
Effect of grant of LTIP and SIP shares	**17,901,906**	14,478,647
Number of ordinary shares for the purpose of EPRA NRV, NTA and NDV per share	**1,188,332,669**	1,182,849,869

The number of shares does not include 7,292,222 own shares held (31 March 2023: 7,492,763 shares), which are held by an Employee Benefit Trust on behalf of the Group.

12. Investment properties

The movement in the book value of investment properties is as follows:

	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Total investment properties at book value as at the beginning of the period	**2,123.0**	2,100.0
Additions – owned investment properties	—	44.7
Additions – leased investment properties	—	1.4
Capital expenditure and broker fees	**16.5**	29.9
Disposals	—	(17.1)
Reclassified as investment properties held for sale (see note 13)	**(7.3)**	(8.8)
Loss on revaluation above capex and broker fees	**(9.6)**	(7.7)
Adjustment in respect of lease incentives	**0.2**	(0.6)
Loss on revaluation relating to leased investment properties	**(0.7)**	(1.5)
Foreign exchange differences	**7.4**	(17.3)
Total investment properties at book value as at period end(1)	**2,129.5**	2,123.0

(1) Excluding assets held for sale.

The reconciliation of the valuation carried out by the external valuer to the carrying values shown in the condensed interim consolidated statement of financial position is as follows:

	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Owned investment properties at market value per valuer's report(1)	**2,110.0**	2,103.1
Adjustment in respect of lease incentives	**(4.5)**	(4.6)
Leased investment property market value	**24.0**	24.5
Total investment properties at book value as at period end(1)	**2,129.5**	2,123.0

(1) Excluding assets held for sale.

The fair value (market value) of the Group's owned investment properties at period end has been arrived at on the basis of a valuation carried out at that date by Cushman & Wakefield LLP (31 March 2023: Cushman & Wakefield LLP), an independent valuer accredited in terms of the Royal Institution of Chartered Surveyors ("RICS"). The fee arrangement with Cushman & Wakefield LLP for the valuation of the Group's properties is fixed, subject to an adjustment for acquisitions and disposals.

The value of each of the properties has been assessed in accordance with the RICS valuation standards on the basis of market value. The methodology and assumptions used to determine the fair value of the properties are consistent with the previous period.

The weighted average lease expiry remaining across the owned portfolio in Germany as at period end was 2.6 years (31 March 2023: 2.8 years). The weighted average lease expiry remaining across the owned portfolio in the UK as at period end was 1.05 years (31 March 2023: 1.01 years). Licence agreements in the UK are rolling and are included in the valuation.

The fair value (market value) of the Group's leased investment properties as at period end has been arrived at on the basis of a valuation carried out by management using discounted cash flows similar to the approach of Cushman & Wakefield LLP. A sensitivity analysis is not provided on the lease investment properties as the balance is not considered material to the financial statements.

The reconciliation of loss or gain on revaluation above capex as per the condensed interim consolidated income statement is as follows:

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
(Loss)/gain on revaluation above capex and broker fees	**(9.6)**	27.7
Adjustment in respect of lease incentives	**0.2**	—
Loss on revaluation relating to leased investment properties	**(0.7)**	(0.9)
(Loss)/gain on revaluation of investment properties reported in the income statement	**(10.1)**	26.8

Included in the loss or gain on revaluation of investment properties reported in the income statement are gross gains of €28.6m and gross losses of €38.7m (30 September 2022: gross gains of €41.6m and gross losses of €14.8m).

Other than the capital commitments disclosed in note 27 the Group is under no contractual obligation to purchase, construct or develop any investment property. The Group is responsible for routine maintenance to the investment properties.

All investment properties are categorised as Level 3 fair values as they use significant unobservable inputs. There have not been any transfers between levels during the period. Investment properties have been classed according to their asset type. Information on these significant unobservable inputs per class of investment property is disclosed below (excluding leased investment properties).

The valuation for owned investment properties (including assets classified as held for sale) is performed on a lease-by-lease basis due to the mixed-use nature of the sites using the discounted cash flow technique for the German portfolio and on a capitalised income basis (where income is capitalised by an appropriate yield which reflects the age, location, ownership, customer base and agreement type) for the UK portfolio. This gives rise to large ranges in the inputs.

Unaudited 30 September 2023	Market value €m	Current rental rate per sqm €		Market rental rate per sqm €		Occupancy %		Gross initial yield %		Net initial yield %		Discount factor %		Void period months	
		Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Traditional business parks															
Mature	**374.8**	**2.88**	**8.67**	**2.67**	**7.98**	**89.8**	**100.0**	**4.6**	**10.1**	**3.7**	**7.7**	**4.3**	**5.9**	**6**	**15**
Value add	**599.9**	**2.54**	**7.15**	**3.72**	**8.51**	**26.9**	**97.4**	**2.8**	**9.6**	**0.7**	**7.5**	**4.6**	**7.3**	**9**	**18**
Total traditional business parks	**974.7**	**2.54**	**8.67**	**2.67**	**8.51**	**26.9**	**100.0**	**2.8**	**10.1**	**0.7**	**7.7**	**4.3**	**7.3**	**6**	**18**
Modern business parks															
Mature	**228.9**	**5.67**	**10.50**	**4.16**	**10.35**	**92.1**	**100.0**	**5.3**	**10.0**	**4.4**	**9.1**	**4.3**	**5.4**	**6**	**15**
Value add	**229.0**	**3.17**	**7.09**	**4.00**	**8.43**	**58.9**	**92.6**	**5.2**	**9.9**	**3.9**	**7.3**	**5.3**	**7.3**	**9**	**24**
Total modern business parks	**457.9**	**3.17**	**10.50**	**4.00**	**10.35**	**58.9**	**100.0**	**5.2**	**10.0**	**3.9**	**9.1**	**4.3**	**7.3**	**6**	**24**
Office															
Mature	**37.3**	**14.38**	**14.38**	**10.92**	**10.92**	**92.6**	**92.6**	**8.8**	**8.8**	**7.4**	**7.4**	**4.9**	**4.9**	**9**	**9**
Value add	**235.7**	**4.78**	**10.95**	**6.49**	**12.20**	**53.6**	**89.0**	**3.7**	**10.4**	**1.9**	**7.9**	**5.0**	**7.0**	**9**	**15**
Total office	**273.0**	**4.78**	**14.38**	**6.49**	**12.20**	**53.6**	**92.6**	**3.7**	**10.4**	**1.9**	**7.9**	**4.9**	**7.0**	**9**	**15**
Total Germany	**1,705.6**	**2.54**	**14.38**	**2.67**	**12.20**	**26.9**	**100.0**	**2.8**	**10.4**	**0.7**	**9.1**	**4.3**	**7.3**	**6**	**24**

Unaudited 30 September 2023	Market value €m	Average current rental rate per sqm €		Average market rental rate per sqm €		Occupancy %		Net initial yield %		Void period months	
		Low	High	Low	High	Low	High	Low	High	Low	High
Total mixed-use schemes	**98.9**	**1.98**	**23.60**	**5.63**	**23.07**	**43.2**	**94.0**	**4.2**	**12.1**	**4**	**12**
Total office	**139.9**	**4.48**	**24.92**	**8.07**	**24.92**	**54.4**	**100.0**	**5.5**	**22.3**	**4**	**12**
Total industrial	**172.9**	**1.99**	**11.81**	**3.19**	**13.21**	**62.8**	**100.0**	**3.2**	**10.4**	**4**	**12**
Total UK	**411.7**	**1.98**	**24.92**	**3.19**	**24.92**	**43.2**	**100.0**	**3.2**	**22.3**	**4**	**12**

Audited 31 March 2023	Market value €m	Current rental rate per sqm € Low	High	Market rental rate per sqm € Low	High	Occupancy % Low	High	Gross initial yield % Low	High	Net initial yield % Low	High	Discount factor % Low	High	Void period months Low	High
Traditional business parks															
Mature	362.0	2.88	8.58	2.67	7.80	64.7	100.0	4.7	9.9	3.7	7.6	4.1	5.8	6	15
Value add	607.6	2.25	6.64	3.58	8.46	26.9	97.4	2.9	9.8	0.8	7.5	4.5	7.1	9	18
Total traditional business parks	969.6	2.25	8.58	2.67	8.46	26.9	100.0	2.9	9.9	0.8	7.6	4.1	7.1	6	18
Modern business parks															
Mature	200.4	5.38	8.64	3.93	8.15	94.3	100.0	3.6	10.5	2.4	9.3	4.1	5.4	6	15
Value add	250.1	2.92	9.76	3.91	10.35	54.5	92.8	5.5	9.4	3.8	7.4	4.8	7.3	9	24
Total modern business parks	450.5	2.92	9.76	3.91	10.35	54.5	100.0	3.6	10.5	2.4	9.3	4.1	7.3	6	24
Office															
Mature	37.5	14.34	14.34	10.78	10.78	92.6	92.6	8.7	8.7	7.3	7.3	4.9	4.9	9	9
Value add	236.4	4.05	10.27	6.42	12.19	49.7	87.5	4.4	9.3	2.4	6.8	5.0	6.9	9	18
Total office	273.9	4.05	14.34	6.42	12.19	49.7	92.6	4.4	9.3	2.4	7.3	4.9	6.9	9	18
Total Germany	1,694.0	2.25	14.34	2.67	12.19	26.9	100.0	2.9	10.5	0.8	9.3	4.1	7.3	6	24

Audited 31 March 2023	Market value €m	Average current rental rate per sqm € Low	High	Average market rental rate per sqm € Low	High	Occupancy % Low	High	Net initial yield % Low	High	Void period months Low	High
Total mixed-use schemes	102.4	2.09	20.25	5.46	23.58	42.0	93.3	4.0	10.8	4	12
Total office	143.7	5.42	33.89	7.94	24.68	50.5	100.0	4.9	23.2	4	12
Total industrial	171.6	2.23	8.19	2.55	12.99	64.1	100.0	3.8	12.4	4	12
Total UK	417.7	2.09	33.89	2.55	24.68	42.0	100.0	3.8	23.2	4	12

As a result of the level of judgement and estimates used in arriving at the market valuations, the amounts which may ultimately be realised in respect of any given property may differ from valuations shown in the statement of financial position. Key inputs are considered to be inter-related whereby changes in one key input can result in changes in other key inputs. The impact of changes in relation to the key inputs is also shown in the table below:

Unaudited 30 September 2023	Market value €m	Change of 5% in market rental rates €m Increase	Decrease	Change of 0.25% in discount rates €m Increase	Decrease	Change of 0.5% in gross initial yield €m Increase	Decrease	Change of 0.5% in net initial yield €m Increase	Decrease
Total traditional business parks	**974.7**	**49.4**	**(49.6)**	**(19.4)**	**19.4**	**(74.4)**	**88.5**	**(96.9)**	**128.8**
Total modern business parks	**457.9**	**22.8**	**(22.3)**	**(9.0)**	**9.9**	**(31.7)**	**37.1**	**(38.7)**	**47.7**
Total office	**273.0**	**14.0**	**(13.9)**	**(5.3)**	**5.7**	**(19.6)**	**23.1**	**(26.1)**	**34.0**
Market value Germany	**1,705.6**	**86.2**	**(85.8)**	**(33.7)**	**35.0**	**(125.7)**	**148.7**	**(161.7)**	**210.5**

Unaudited 30 September 2023	Market value €m	Change of 5% in market rental rates €m Increase	Decrease	Change of 0.5% in net initial yield €m Increase	Decrease
Total mixed-use schemes	**98.9**	**3.4**	**(3.7)**	**(5.9)**	**6.5**
Total office	**139.9**	**4.2**	**(4.2)**	**(6.0)**	**6.7**
Total industrial	**172.9**	**6.7**	**(6.8)**	**(10.8)**	**12.0**
Market value UK	**411.7**	**14.3**	**(14.7)**	**(22.7)**	**25.2**

Audited 31 March 2023	Market value €m	Change of 5% in market rental rates €m		Change of 0.25% in discount rates €m		Change of 0.5% in gross initial yield €m		Change of 0.5% in net initial yield €m	
		Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Total traditional business parks	969.6	48.9	(49.2)	(19.3)	19.1	(73.1)	86.8	(106.6)	109.0
Total modern business parks	450.5	22.0	(21.7)	(8.5)	9.3	(32.2)	37.9	(41.5)	47.4
Total office	273.9	14.0	(14.1)	(5.6)	5.6	(20.8)	24.8	(28.3)	36.8
Market value Germany	1,694.0	84.9	(85.0)	(33.4)	34.0	(126.1)	149.5	(176.4)	193.2

Audited 31 March 2023	Market value €m	Change of 5% in market rental rates €m		Change of 0.5% in net initial yield €m	
		Increase	Decrease	Increase	Decrease
Total mixed-use schemes	102.4	(6.2)	7.5	3.8	(3.6)
Total office	143.7	(6.8)	7.8	4.7	(4.5)
Total industrial	171.6	(10.8)	12.7	7.0	(6.6)
Market value UK	417.7	(23.8)	28.0	15.5	(14.7)

13. Assets held for sale

Investment properties held for sale

	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Wuppertal	**—**	8.8
Kassel	**7.3**	—
Balance as at period end	**7.3**	8.8

The disclosures regarding valuation in note 12 are also applicable to assets held for sale.

As at 30 September 2023, an amount of €7.3m relating to the sale of the Kassel asset was received prior to the completion date of 1 October 2023 and was included in the cash at bank per note 19. As at 31 March 2023, an amount of €8.8m relating to the sale of the Wuppertal asset was received prior to the completion date of 1 April 2023 and was included in the cash at bank per note 19.

As a result, an equal and opposite position within other payables was recognised. See note 20 for further details.

14. Intangible assets

	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Software and licences	**3.9**	4.1
Balance as at period end	**3.9**	4.1

15. Right of use assets and lease liabilities

Set out below are the carrying amounts of right of use assets (excluding those classified as investment properties) recognised and the movements during the period:

	Office €m	Total €m
As at 31 March 2022 (audited)	15.0	15.0
Additions	1.4	1.4
Depreciation expense	(1.1)	(1.1)
As at 30 September 2022 (unaudited)	15.3	15.3
Additions	0.1	0.1
Depreciation expense	(1.0)	(1.0)
As at 31 March 2023 (audited)	14.4	14.4
Depreciation expense	(0.9)	(0.9)
As at 30 September 2023 (unaudited)	**13.5**	**13.5**

In addition to office spaces the Group is also counterparty to long-term leasehold agreements and head leases relating to commercial property. Right of use assets amounting to €24.0m (31 March 2023: €24.5m) are classified as investment properties, of which €2.3m (31 March 2023: €2.8m) relate to commercial property.

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Balance as at the beginning of the period	**(39.6)**	(38.7)
Accretion of interest	**(0.6)**	(1.1)
Additions	**—**	(2.8)
Payments	**1.7**	2.3
Foreign exchange differences	**(0.3)**	0.7
Balance as at period end	**(38.8)**	(39.6)
Current lease liabilities as at period end	**(2.3)**	(2.2)
Non-current lease liabilities as at period end	**(36.5)**	(37.4)

The following table sets out the carrying amount, by maturity, of the Group's lease liabilities:

Unaudited 30 September 2023	**Within 1 year €m**	**1–5 years €m**	**5+ years €m**	**Total €m**
Commercial property(1)	**(0.3)**	**(1.1)**	**—**	**(1.4)**
Long-term leasehold(1)	**(0.2)**	**(1.0)**	**(20.5)**	**(21.7)**
Office space	**(1.8)**	**(7.5)**	**(6.4)**	**(15.7)**
Total	**(2.3)**	**(9.6)**	**(26.9)**	**(38.8)**

Audited 31 March 2023	Within 1 year €m	1–5 years €m	5+ years €m	Total €m
Commercial property(1)	(0.2)	(1.0)	(0.3)	(1.5)
Long-term leasehold(1)	(0.2)	(1.0)	(20.4)	(21.6)
Office space	(1.8)	(7.5)	(7.2)	(16.5)
Total	(2.2)	(9.5)	(27.9)	(39.6)

(1) These lease liabilities relate to right of use assets recorded as investment properties.

The overall weighted average discount rate used for the period is 2.8% (31 March 2023: 2.7%).

16. Other non-current financial assets

	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Deposits	**4.1**	4.1
Loans to associates	**44.3**	44.3
Balance as at period end	**48.4**	48.4

Loans to associates relate to shareholder loans granted to associates by the Group. The loans terminate on 31 December 2026, are fully subordinated and are charged at a fixed interest rate. The expected credit loss has been considered based on multiple factors such as history of repayments, forward looking budgets and forecasts. Based on the assessment the expected credit loss was immaterial.

17. Investment in associates

The principal activity of the associates is the investment in, and development of, commercial property located in Germany and to provide conventional and flexible workspace. Since the associates are individually immaterial the Group is disclosing aggregated information for the associates.

The following table illustrates the summarised financial information of the Group's investment in associates:

	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Current assets	**24.4**	28.4
Non-current assets	**358.6**	354.7
Current liabilities	**(21.3)**	(15.6)
Non-current liabilities	**(296.7)**	(296.1)
Equity	**65.0**	71.4
Unrecognised accumulated losses	**6.1**	4.9
Subtotal	**71.1**	76.3
Group's share in equity – 35%	**25.0**	26.7

The accumulated losses of the investment in associates are not recognised in line with the accounting policy as outlined in note 2(b).

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Net operating income	**9.8**	10.0
(Loss)/gain on revaluation of investment properties	**(3.3)**	4.2
Administrative expense	**(1.8)**	(1.7)
Operating profit	**4.7**	12.5
Net finance costs	**(4.4)**	(4.4)
Profit before tax	**0.3**	8.1
Taxation	**(0.5)**	(1.7)
Unrecognised loss	**1.1**	1.1
Total profit and comprehensive income for the period after tax	**0.9**	7.5
Group's share of profit for the period – 35%	**0.3**	2.6

Included within the non-current liabilities are shareholder loans amounting to €126.8m (31 March 2023: €126.8m). As at period end no contingent liabilities existed (31 March 2023: none). The associates had contracted capital expenditure for development and enhancements of €6.5m as at period end (31 March 2023: €3.4m).

The following table illustrates the movement in investment in associates:

	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Balance as at the beginning of the period	**26.7**	24.1
Dividend received	**(2.0)**	—
Share of profit	**0.3**	2.6
Balance as at period end	**25.0**	26.7

18. Trade and other receivables

	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Gross trade receivables	**16.4**	22.4
Expected credit loss provision	**(8.2)**	(8.7)
Net trade receivables	**8.2**	13.7
Other receivables	**15.1**	14.1
Prepayments	**5.1**	2.7
Balance as at period end	**28.4**	30.5

Other receivables include primarily accrued income from investment in associates of €4.7m (31 March 2023: €2.2m) and lease incentives of €4.5m (31 March 2023: €4.6m).

19. Cash and cash equivalents

	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Cash at bank	**65.8**	99.2
Short-term investments	**25.4**	**—**
Cash restricted under contractual terms:		
Deposit for bank guarantees	**—**	1.3
Deposits received from tenants	**24.5**	23.8
Balance as at period end	**115.7**	124.3

Cash at bank earns interest at floating rates based on daily bank deposit rates. The fair value of cash as at period end is €115.7m (31 March 2023: €124.3m).

Short-term investments are an investment in Money Market Funds. The Group invests only in highly liquid products with short maturities, which are readily convertible to a known amount of cash and that are subject to an insignificant risk of changes in value.

Tenants' deposits are legal securities of tenants retained by the Group without the right to use these cash deposits for purposes other than strictly tenant related transactions (e.g. move-out costs, costs due to non-compliance with certain terms of the lease agreement or late rent/service charge payments).

Cash is held by reputable banks and the Group assessed the expected credit loss to be immaterial.

20. Trade and other payables

	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Trade payables	**6.1**	12.0
Accrued expenses	**39.1**	28.6
Provisions	**3.3**	3.3
Interest and amortisation payable	**6.2**	5.6
Tenant deposits	**24.5**	23.8
Unearned revenue	**10.4**	10.6
Other payables	**14.3**	17.6
Balance as at period end	**103.9**	101.5

Accrued expenses include costs relating to service charge totalling €27.0m (31 March 2023: €16.4m), bonuses of €4.2m (31 March 2023: €4.5m), costs relating to non-recurring projects of €2.9m (31 March 2023: €2.8m) and administrative expenses of €3.0m (31 March 2023: €2.4m) that have not been invoiced to the Group.

The Group are subject to an ongoing legal claim in relation to a property which was sold during 2017. The Group have recognised a provision of €3.3m (31 March 2023: €3.3m) which represents the Directors best estimate of the potential outflow at the present time, however, the Directors recognise there is uncertainty relating to this amount. At this stage, the Directors do not expect to incur a liability over and above what has already been recognised in the financial statements. As at 31 March 2023 the liability of €3.3m was included in accrued expenses. The Directors have chosen to disclose this as a separate line in the disclosure note for trade and other payables to provide additional information to the users of the financial statements.

Included within other payables are credit balances due to tenants in relation to over collections of service charge in amount of €2.1m (31 March 2023: €3.6m). As at 30 September 2023, other payables included €7.3m relating to the sale of Kassel asset that is categorised as an asset held for sale as at 30 September 2023 in advance of the completion date of 1 October 2023. As at 31 March 2023, other payables included €8.8m of proceeds relating to the sale of the Wuppertal asset that was categorised as an asset held for sale as at 31 March 2023 in advance of the completion date of 1 April 2023. See note 13 for details of assets held for sale.

Unearned revenue includes service charge amounts of €1.7m (31 March 2023: €3.1m). Service charge income is only recognised as income when the performance obligations are met. All unearned revenue of the prior period was recognised as revenue in the current period.

21. Interest-bearing loans and borrowings

	Interest rate %	Loan maturity date	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Current				
Berlin Hyp AG				
– fixed rate facility	1.48	31 October 2023	**57.3**	58.2
– fixed rate facility	0.90	31 October 2023	**109.6**	110.4
Saarbrücken Sparkasse				
– fixed rate facility	1.53	28 February 2025	**0.8**	0.7
Deutsche Pfandbriefbank AG				
– hedged floating rate facility	Hedged(1)	31 December 2023	**50.5**	51.1
– floating rate facility	Floating(1)	31 December 2023	**6.2**	6.2
Schuldschein				
– fixed rate facility	1.60	3 July 2023	**—**	20.0
Capitalised finance charges on all loans			**(2.5)**	(2.9)
			221.8	243.7
Non-current				
Saarbrücken Sparkasse				
– fixed rate facility	1.53	28 February 2025	**13.0**	13.5
Schuldschein				
– floating rate facility	Floating(2)	6 January 2025	**5.0**	5.0
– fixed rate facility	1.70	3 March 2025	**10.0**	10.0
Corporate bond I				
– fixed rate	1.125	22 June 2026	**400.0**	400.0
Corporate bond II				
– fixed rate	1.75	24 November 2028	**300.0**	300.0
Capitalised finance charges on all loans			**(6.6)**	(7.8)
			721.4	720.7
Total			**943.2**	964.4

(1) Tranche 1 of this facility is fully hedged with a swap charged at a rate of 1.40%; tranche 2 of this facility is fully hedged with a swap charged at a rate of 1.25%; and €19.1m of tranche 3 of this facility is fully hedged with a swap charged at a rate of 0.91%. A €6.5m extension and the tranche 3 related €0.5m arrangement fee are charged with a floating rate of 1.20% over three month EURIBOR (not less than 0%). The Group has not adopted any hedge accounting.

(2) This unsecured facility has a floating rate of 1.70% over six month EURIBOR (not less than 0%).

The movement of loans and borrowings for the period ended 30 September 2023 comprised of €22.7m repayment of loans and €1.5m capitalisation of finance charges (30 September 2022: €2.7m and €1.6m respectively).

The Group has pledged 15 (31 March 2023: 15) investment properties to secure several separate interest-bearing debt facilities granted to the Group. The 15 (31 March 2023: 15) properties had a combined valuation of €518.2m as at period end (31 March 2023: €510.7m).

The Group's loans are subject to various covenants, which include interest cover ratio, loan to value, debt service cover, occupancy, etc. as stipulated in the loan agreements.

During the period, the Group did not breach any of its loan covenants, nor did it default on any of its obligations under its loan agreements and the Group has a sufficient level of headroom as at period end.

Refer to note 2(e) where the Group discloses forecast covenant compliance with regard to management's going concern assessment.

Berlin Hyp AG

On 13 September 2019, the Group agreed to a facility agreement with Berlin Hyp AG for €115.4m. The loan terminates on 31 October 2023. Amortisation is 1.25% per annum with the remainder due in the fourth year. The loan facility is charged at a fixed interest rate of 0.90%. This facility is secured over nine property assets. No changes to the terms of the facility have occurred during the six month period ended 30 September 2023.

On 31 August 2022, the Group concluded an agreement with Berlin Hyp AG to refinance the existing facility with a new facility which amounts to €170.0m. The new facility is a separate financial instrument to the existing facility and will come into effect on 1 November 2023 with a term of seven years and a fixed interest rate of 4.26%.

Saarbrücken Sparkasse

On 28 March 2018, the Group agreed to a facility agreement with Saarbrücken Sparkasse for €18.0m. The loan terminates on 28 February 2025. Amortisation is 4.0% per annum with the remainder due in one instalment on the final maturity date. The facility is charged with an all-in fixed interest rate of 1.53% for the full term of the loan. The facility is secured over one property asset. No changes to the terms of the facility have occurred during the six month period ended 30 September 2023.

Deutsche Pfandbriefbank AG

On 19 January 2019, the Group agreed to a facility agreement with Deutsche Pfandbriefbank AG for €56.0m. Tranche 1, totalling €21.6m, has been hedged at a rate of 1.40% until 31 December 2023 by way of an interest rate swap. A first drawdown of tranche 3 totalling €0.5m was charged at a fixed interest rate of 1.20%. On 3 April 2019, tranche 2 was drawn down, totalling €14.8m, and has been hedged at a rate of 1.25% until 31 December 2023 by way of an interest rate swap. On 28 June 2019, tranche 3 was drawn down, totalling €19.1m. Tranche 3 has been hedged at a rate of 0.91% until 31 December 2023 by way of an interest rate swap. The facility is secured over five property assets and is subject to various covenants with which the Group has complied.

On 19 February 2020, the Group agreed to extend tranche 3 of its existing facility by €6.5m. The loan is coterminous with the existing facility maturing in December 2023. The loan has been treated as a new loan and is charged with a floating interest rate of 1.20% plus three month EURIBOR (not less than 0%). Amortisation is 2.0% per annum with the remainder due in one instalment on the final maturity date.

On 26 May 2023, the Group concluded an agreement with Deutsche Pfandbriefbank AG to refinance the existing facility with a new facility which amounts to €58.3m. The new facility is a separate financial instrument to the existing facility and will come into effect on 1 January 2024 with a term of seven years and a fixed interest rate of 4.25%.

Schuldschein

On 2 December 2019, the Group agreed new loan facilities in the form of an unsecured Schuldschein for €20.0m. On 25 February 2020, the Group agreed new loan facilities in the form of an unsecured Schuldschein for €30.0m. In total the unsecured facility amounts to €50.0m spread over five tranches and is charged at a blended interest rate of 1.60% and average maturity of 2.6 years with no amortisation. The first and second tranches totalling €15.0m were repaid during the twelve month period ended 31 March 2023.

On 30 June 2023, the Group repaid an amount of €20.0m resulting in a remaining €15.0m for the loan facility. No changes to the terms of the facility have occurred during the six month period ended 30 September 2023.

Corporate bond I

On 22 June 2021, the Group raised its inaugural corporate bond for €400.0m. The bond, which is listed at the Luxembourg Stock Exchange, has a term of five years and an interest rate of 1.125% due annually on its anniversary date, with the principal balance coming due on 22 June 2026. No changes to the terms of the facility have occurred during the six month period ended 30 September 2023.

Corporate bond II

On 24 November 2021, the Group issued its second corporate bond for €300.0m. The bond, which is listed at the Luxembourg Stock Exchange, has a term of seven years and an interest rate of 1.75% due annually on its anniversary date, with the principal balance coming due on 24 November 2028. No changes to the terms of the facility have occurred during the six month period ended 30 September 2023.

EPRA loan to value ("LTV")

Unaudited 30 September 2023	**Group €m**	**Proportionate consolidation Investment in associates €m**	**Total €m**
Interest-bearing loans and borrowings(1)	**243.2**	**52.2**	**295.4**
Corporate bonds	**700.0**	**—**	**700.0**
Net payables	**77.2**	**5.7**	**82.9**
Cash and cash equivalents	**(115.7)**	**(6.6)**	**(122.3)**
Net debt (a)	**904.7**	**51.3**	**956.0**
Investment properties	**2,129.5**	**125.5**	**2,255.0**
Assets held for sale	**7.3**	**—**	**7.3**
Plant and equipment	**7.4**	**—**	**7.4**
Intangible assets	**3.9**	**—**	**3.9**
Loan to associates	**44.3**	**—**	**44.3**
Total property value (b)	**2,192.4**	**125.5**	**2,317.9**
EPRA LTV (a/b)	**41.3%**	**40.9%**	**41.2%**

Audited 31 March 2023	Group €m	Proportionate consolidation Investment in associates €m	Total €m
Interest-bearing loans and borrowings(1)	264.4	52.1	316.5
Corporate bonds	700.0	—	700.0
Net payables	71.0	4.5	75.5
Cash and cash equivalents	(124.3)	(8.6)	(132.9)
Net debt (a)	911.1	48.0	959.1
Investment properties	2,123.0	124.2	2,247.2
Assets held for sale	8.8	—	8.8
Plant and equipment	7.2	—	7.2
Intangible assets	4.1	—	4.1
Loan to associates	44.3	—	44.3
Total property value (b)	2,187.4	124.2	2,311.6
EPRA LTV (a/b)	41.7%	38.6%	41.5%

(1) Excludes corporate bonds as shown as a separate line.

22. Financial instruments

Fair values

Set out below is a comparison by category of carrying amounts and fair values of all of the Group's financial instruments that are carried in the financial statements (excluding assets held for sale):

		Unaudited 30 September 2023		Audited 31 March 2023	
	Fair value hierarchy level	**Carrying amount €m**	**Fair value €m**	Carrying amount €m	Fair value €m
Financial assets					
Cash and cash equivalents		**115.7**	**115.7**	124.3	124.3
Trade and other receivables(1)		**22.9**	**22.9**	27.3	27.3
Loans to associates	2	**44.3**	**44.3**	44.3	44.3
Derivative financial instruments	2	**0.5**	**0.5**	1.3	1.3
Financial liabilities					
Trade and other payables		**51.1**	**51.1**	59.0	59.0
Interest-bearing loans and borrowings(2)					
Floating rate borrowings	2	**11.2**	**11.2**	11.2	11.2
Floating rate borrowings – hedged(3)	2	**50.5**	**50.5**	51.1	51.1
Fixed rate borrowings	2	**890.6**	**776.0**	912.8	813.6

All amounts in the table above are carried at amortised cost except for derivative financial instruments which are held at fair value.

(1) This is made up of net trade receivables, other receivables (excluding lease incentives) and deposits.

(2) Excludes loan issue costs.

(3) The Group holds interest rate swap contracts designed to manage the interest rate and liquidity risks of expected cash flows of its borrowings with the variable rate facilities with Deutsche Pfandbriefbank AG. Please refer to note 21 for details of swap contracts.

Fair value hierarchy

For financial assets or liabilities measured at amortised cost and whose carrying value is a reasonable approximation to fair value there is no requirement to analyse their value in the fair value hierarchy.

The below analyses financial instruments measured at fair value into a fair value hierarchy based on the valuation technique used to determine fair value:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group holds interest rate swap contracts which are reset on a quarterly basis. The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. The average interest rate is based on the outstanding balances at the end of the reporting period. The interest rate swap is measured at fair value with changes recognised in profit or loss.

The fair values of the loans and borrowings have been calculated based on a discounted cash flow model using the prevailing market rates of interest.

23. Issued share capital

Authorised	Number of shares	Share capital €m
Ordinary shares of no par value	Unlimited	—
As at 30 September 2023 (unaudited) and 31 March 2023 (audited)	**Unlimited**	**—**

Issued and fully paid	Number of shares	Share capital €m
As at 31 March 2022 (audited)	1,166,880,684	—
Issued ordinary shares	2,891,372	1.4
Transfer of share capital to other distributable reserves	—	(1.4)
Shares issued to Employee Benefit Trust	(2,500,000)	—
Shares allocated by the Employee Benefit Trust	287,545	—
As at 30 September 2022 (unaudited)	1,167,559,601	—
Issued ordinary shares	811,621	—
Transfer of share capital to other distributable reserves	—	—
Shares issued to the Employee Benefit Trust	—	—
Shares allocated by the Employee Benefit Trust	—	—
As at 31 March 2023 (audited)	1,168,371,222	—
Issued ordinary shares	1,859,000	—
Transfer of share capital to other distributable reserves	—	—
Shares issued to the Employee Benefit Trust	—	—
Shares allocated by the Employee Benefit Trust	200,541	—
As at 30 September 2023 (unaudited)	**1,170,430,763**	**—**

Holders of the ordinary shares are entitled to receive dividends and other distributions and to attend and vote at any general meeting. Shares held in treasury are not entitled to receive dividends or to vote at general meetings.

The Company issued 1,859,000 shares in relation to the exercise of the LTIP 2018 (Jun 2020 grant) as per note 7. These shares were issued at nil-cost, and the fair value of these shares recorded in the share capital account has been transferred back to the other distributable reserves.

Treasury Shares held by the Employee Benefit Trust are disclosed as own shares held. During the period nil shares were acquired and 200,541 were allocated by the Employee Benefit Trust. A total of 7,292,222 own shares purchased at an average share price of €1.1108 are held by the Employee Benefit Trust (31 March 2023: 7,492,763 shares purchased at an average share price of €1.1185). The total number of shares with voting rights was 1,177,722,985 (31 March 2023: 1,175,863,985). No votes are cast in respect of the shares held in the Employee Benefit Trust in connection with the Company's share plans and dividends paid and payable are subject to a standing waiver.

All shares issued in the period were issued under general authority. No shares were bought back in the period (31 March 2023: none) and there are no Treasury Shares held directly by the Company at the period end (31 March 2023: none).

24. Other reserves

Other distributable reserve

This reserve comprises amounts in relation to scrip dividends transfers from share capital, share-based payment transactions and the share buy-backs. The balance of €481.3m in total at period end (31 March 2023: €516.4m) is considered distributable.

Foreign currency translation reserve

The Group holds a foreign currency translation reserve which relates to foreign currency translation effect during the course of the business with the UK segment.

The following table illustrates the movement in the foreign currency translation reserve:

	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Balance as at the beginning of the period	**(18.9)**	(1.7)
Foreign currency translation	**7.6**	(17.2)
Balance as at period end	**(11.3)**	(18.9)

The movement in the period of €7.6m gain is a result of an increasing GBP rate which is higher at period end compared with 31 March 2023 (31 March 2023: €17.2m deficit).

25. Dividends

On 5 June 2023, the Company announced a dividend of 2.98c per share, with a record date of 14 July 2023 for the UK and South African ("SA") shareholders and payable on 17 August 2023. On the record date, 1,177,722,985 shares were in issue. Since there were no shares held in treasury, 1,177,722,985 shares (including shares held by the Employee Benefit Trust) were entitled to participate in the dividend. The Company's Employee Benefit Trust waived its rights to the dividend, reducing the total dividend (payable in cash) from €35.1m to €34.9m (€35.0m as at settlement date).

On 21 November 2022, the Company announced a dividend of 2.70c per share, with a record date of 9 December 2022 for the UK and SA shareholders and payable on 19 January 2023. On the record date, 1,175,863,985 shares were in issue. Since there were no shares held in treasury, 1,175,863,985 shares (including shares held by the Employee Benefit Trust) were entitled to participate in the dividend. The Company's Employee Benefit Trust waived its rights to the dividend, reducing the total dividend (payable in cash) from €31.7m to €31.5m (€31.5m as at settlement date).

On 13 June 2022, the Company announced a dividend of 2.37c per share, with a record date of 8 July 2022 for UK and SA shareholders and payable on 18 August 2022. On the record date, 1,172,160,992 shares were in issue. Since there were no shares held in treasury, 1,172,160,992 shares (including shares held by the Employee Benefit Trust) were entitled to participate in the dividend. Holders of 61,453,275 shares elected to receive the dividend in ordinary shares under the scrip dividend alternative, representing a dividend of €1.4m (€1.4m as at settlement date) while holders of 1,110,707,717 shares opted for a cash dividend with a value of €26.3m. The Company's Employee Benefit Trust waived its rights to the dividend, reducing the cash payable to €26.2m (€26.3m as at settlement date). The total dividend was €27.7m (€27.7m).

The Group's profit attributable to the equity holders of the Company for the period was €31.7m (30 September 2022: €70.0m). The Board has authorised a dividend relating to the six month period ended 30 September 2023 of 3.00c per share, representing 66% of FFO(1).

It is expected that, for the dividend authorised relating to the six month period ended 30 September 2023, the ex-dividend date will be 12 December 2023 for shareholders on the SA register and 14 December 2023 for shareholders on the UK register The record date will be 14 December 2023 for shareholders on the SA register and 15 December 2023 for shareholders on the UK register. The dividend will be paid on 25 January 2024. A detailed dividend announcement will be made on 20 November 2023, including details of a dividend reinvestment plan ("DRIP") alternative.

The dividend paid per the statement of changes in equity is the value of the cash dividend.

(1) Adjusted profit before tax adjusted for foreign exchange effects, depreciation and amortisation (excluding depreciation relating to IFRS 16), amortisation of financing fees, adjustments in respect of IFRS 16, current tax receivable/incurred and current tax relating to disposals.

The dividend per share was calculated as follows:

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Reported profit before tax	**39.8**	75.7
Adjustments for:		
Loss/(gain) on revaluation of investment properties	**10.1**	(26.8)
Loss on revaluation relating to leased investment properties	**(0.7)**	(0.9)
Gain on disposal of properties	**0.0**	(4.8)
Loss/(gain) on revaluation of investment property from associates and related tax	**0.4**	(1.4)
Other adjusting items(1)	**1.8**	3.0
Change in fair value of financial derivatives	**0.8**	(1.2)
Adjusted profit before tax	**52.2**	43.6
Adjustments for:		
Foreign exchange effects(2)	**—**	0.3
Depreciation and amortisation (excluding depreciation relating to IFRS 16)	**1.7**	1.7
Amortisation of financing fees	**1.5**	1.6
Adjustment in respect of IFRS 16	**0.5**	1.5
Current taxes incurred (see note 9)	**(2.9)**	(0.3)
Add back current tax relating to disposals	**—**	0.1
Funds from operations, six months ended 30 September	**53.0**	48.5
Dividend pool, six months ended 30 September(3)	**35.1**	31.5
Dividend per share, six months ended 30 September	**3.00c**	2.70c

(1) Includes the effect of exceptional items and share awards. See note 7 for details.

(2) Management decided to exclude foreign exchange effects from the funds from operations calculation amounting to €nil (30 September 2022: €(0.3)m).

(3) Calculated as 66% of FFO of 3.00c per share (30 September 2022: 4.15c per share using 65% of FFO), based on average number of shares outstanding of 1,169,697,061 (30 September 2022: 1,167,383,139).

For more information on adjusted profit before tax and funds from operations, refer to Annex 1.

Calculations contained in this table are subject to rounding differences.

26. Related parties

Related parties are defined as those persons and companies that control the Group, or that are controlled, jointly controlled or subject to significant influence by the Group.

Key management personnel

Fees paid to people considered to be key management personnel (the Senior Management Team) of the Group during the period include:

Condensed interim consolidated income statement	**Unaudited 30 September 2023 €m**	Unaudited six months ended 30 September 2022 €m
Directors' fees	**0.3**	0.3
Salary and employee benefits	**2.9**	3.6
Share-based payments	**1.0**	1.8
Total	**4.2**	5.7

Included within salary and employee benefits are pension contributions amounting to €0.1m (30 September 2022: €0.1m).

The amounts payable to people considered to be key management personnel (the Senior Management Team) amount to €0.3m (31 March 2023: €nil).

Associates

The following balances and transactions with associates exist as at the reporting date:

Condensed interim consolidated statement of financial position	**Unaudited 30 September 2023 €m**	Audited 31 March 2023 €m
Loans to associates	**44.3**	44.3
Trade and other receivables	**4.6**	4.0
Total	**48.9**	48.3

Trade and other receivables relate to amounts owed from the services supplied to the associates and are due to be settled in the normal course of business.

As a result of unchanged credit quality no material expected credit losses have been recognised in the period.

Condensed interim consolidated income statement	**Unaudited six months ended 30 September 2023 €m**	Unaudited six months ended 30 September 2022 €m
Services supplied	**8.4**	7.0
Interest income	**1.1**	1.1
Total	**9.5**	8.1

Services provided to associates primarily relate to the provision of property and asset management services. A performance fee arrangement is in place between the associates and the Group. Within services supplied, the performance fee was €0.8m (30 September 2022: €nil).

For details regarding the investment in associates, including dividends received, see note 17.

27. Capital and other commitments

As at period end, the Group had contracted capital expenditure for development and enhancements on existing properties of €13.8m (31 March 2023: €14.9m).

The above noted were committed but not yet provided for in the financial statements.

28. Post balance sheet events

On 21 August 2023, the Group notarised for the disposal of an asset in Kassel for a sale price of €7.3m. The mixed-use site which comprises 16,217 sqm of storage, industrial, office and logistics space is 92% occupied. The transaction completed on 1 October 2023.

On 2 October 2023, the Group completed the acquisition of two mixed use industrial assets located in Liverpool and Barnsley. Total acquisition costs are £10.1m (€11.7m). The property has a combined lettable area of 71,957 sq ft (6,685 sqm).

On 1 November 2023, the Group notarised the disposal of an asset in Maintal, for €40.1m. The mixed-use site which comprises 38,000 sqm of storage, industrial and office space is 83% occupied. The sale is expected to complete in March 2024.

On 6 November 2023, the Group completed the acquisition of three multi-let studio sites located in Islington and Camden, London. Total acquisition costs are £35.7m (€41.2m). The sites have a combined lettable area of 103,962 sq ft (9,658 sqm).

Business analysis

Non-IFRS measures

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Total profit for the period attributable to the owners of the Company	**31.7**	70.0
Add loss/(deduct gain) on revaluation of investment properties	**10.1**	(26.8)
Deduct gain on disposal of properties (net of related tax)	**0.0**	(4.7)
Change in fair value of derivative financial instruments	**0.8**	(1.2)
Deferred tax in respect of EPRA fair value movements on investment properties	**5.2**	5.3
Add loss/(deduct gain) on revaluation of investment property relating to associates	**0.5**	(1.9)
Tax in relation to the revaluation gains/losses on investment property relating to associates above	**(0.1)**	0.5
EPRA earnings	**48.2**	41.2
Deduct change in deferred tax relating to derivative financial instruments	**0.1**	0.2
(Deduct)/add change in fair value of derivative financial instruments	**(0.8)**	1.2
Headline earnings after tax	**47.5**	42.6
Add/(deduct) change in fair value of derivative financial instruments (net of related tax and NCI)	**0.7**	(1.4)
Deduct revaluation loss relating to leased investment properties	**(0.7)**	(0.9)
Add adjusting items[1] (net of related tax and NCI)	**1.8**	3.0
Adjusted earnings after tax	**49.3**	43.3

(1) See note 10 of the Interim Report.

For more information on EPRA earnings refer to Annex 1.

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
EPRA earnings	**48.2**	41.2
Weighted average number of ordinary shares	**1,169,697,061**	1,167,383,139
EPRA earnings per share (cents)	**4.12**	3.53
Headline earnings after tax	**47.5**	42.6
Weighted average number of ordinary shares	**1,169,697,061**	1,167,383,139
Headline earnings per share (cents)	**4.06**	3.65
Adjusted earnings after tax	**49.3**	43.3
Weighted average number of ordinary shares	**1,169,697,061**	1,167,383,139
Adjusted earnings per share (cents)	**4.21**	3.71

Annex 1 – non-IFRS measures

Basis of preparation

The Directors of Sirius Real Estate Limited have chosen to disclose additional non-IFRS measures; these include EPRA earnings, adjusted net asset value, EPRA net reinstatement value, EPRA net tangible assets, EPRA net disposal value, EPRA loan to value, adjusted profit before tax and funds from operations (collectively "Non-IFRS Financial Information").

The Directors have chosen to disclose:

- EPRA earnings in order to assist in comparisons with similar businesses in the real estate sector. EPRA earnings is a definition of earnings as set out by the European Public Real Estate Association. EPRA earnings represents earnings after adjusting for (where applicable) gains/losses on revaluation of investment properties, gains/losses on disposal of properties (net of related tax), recoveries from prior disposals of subsidiaries (net of related tax), refinancing costs, exit fees and prepayment penalties, goodwill impairment, acquisition costs in relation to business combination, changes in fair value of derivative financial instruments (collectively the "EPRA earnings adjustments"), deferred tax in respect of the EPRA earnings adjustments, NCI relating to revaluation (net of related tax), gains/losses on revaluation of investment property relating to associates and the related tax thereon. The reconciliation between basic and diluted earnings and EPRA earnings is detailed in table A below.
- Adjusted net asset value in order to assist in comparisons with similar businesses. Adjusted net asset value represents net asset value after adjusting for derivative financial instruments at fair value and net deferred tax asset/liability. The reconciliation for adjusted net asset value is detailed in table B below.
- EPRA net reinstatement value ("EPRA NRV") in order to assist in comparisons with similar businesses in the real estate sector. EPRA NRV is a definition of net asset value as set out by the European Public Real Estate Association. EPRA NRV represents net asset value after adjusting for derivative financial instruments at fair value, deferred tax relating to valuation movements and derivative financial instruments and real estate transfer tax presented in the Valuation Certificate (for the entire consolidated Group including wholly owned entities and investment in associates). The reconciliation for EPRA NRV is detailed in table C below.
- EPRA net tangible assets ("EPRA NTA") in order to assist in comparisons with similar businesses in the real estate sector. EPRA NTA is a definition of net asset value as set out by the European Public Real Estate Association. EPRA NTA represents net asset value after adjusting for (where applicable) derivative financial instruments at fair value, deferred tax relating to valuation movements (excluding that relating to assets held for sale) and derivative financial instruments, goodwill and intangible assets as per the note reference in the unaudited condensed interim consolidated statement of financial position (for the entire consolidated Group including wholly owned entities and investment in associates). The reconciliation for EPRA NTA is detailed in table C below.
- EPRA net disposal value ("EPRA NDV") in order to assist in comparisons with similar businesses in the real estate sector. EPRA NDV is a definition of net asset value as set out by the European Public Real Estate Association. EPRA NDV represents net asset value after adjusting for (where applicable) goodwill and the fair value of fixed interest rate debt (for the entire consolidated Group including wholly owned entities and investment in associates). The reconciliation for EPRA NDV is detailed in table C below.
- EPRA loan to value ("EPRA LTV") in order to assist in comparisons with similar businesses in the real estate sector. EPRA LTV is a definition of loan to value ratio as set out by the European Public Real Estate Association. EPRA LTV represents net debt to total property value as defined in note 21. It includes all capital which is not equity as debt, irrespective of its IFRS classification, and is based upon proportional consolidation, therefore including the Group's share in the net debt and net assets of associates. Assets are included at fair value, net debt at nominal value. The reconciliation for EPRA LTV is detailed in table D below.
- Adjusted profit before tax in order to provide an alternative indication of the Group's underlying business performance. Accordingly, it adjusts for the effect of the gains/losses on revaluation of investment properties, gains/losses on revaluation relating to leased investment properties, gains/losses on disposal of properties, gains/losses on revaluation of investment property relating to associates and related tax, other adjusting items and change in fair value of derivative financial instruments. The reconciliation for adjusted profit before tax is detailed in table E below.
- Funds from operations in order to assist in comparisons with similar businesses and to facilitate the Group's dividend policy which is derived from adjusted profit before tax. Accordingly, funds from operations excludes depreciation and amortisation (excluding depreciation relating to IFRS 16), net foreign exchange differences, amortisation of financing fees, adjustment in respect of IFRS 16 and current tax excluding tax on disposals. The reconciliation for funds from operations is detailed in table E below.

The Non-IFRS Financial Information is presented in accordance with the JSE Limited Listings Requirements and The Guide on pro forma financial information issued by SAICA. The Non-IFRS Financial Information is the responsibility of the Directors. The Non-IFRS Financial Information has been presented for illustrative purposes and, due to its nature, may not fairly present the Group's financial position or result of operations. The Non-IFRS Financial Information required by the JSE Limited Listings Requirements solely relates to Headline Earnings Per Share and not EPRA.

The Non-IFRS measures included in the Interim Report 2023 have not been reviewed nor reported on by the independent reporting accountant. The starting point for all the Non-IFRS Financial Information has been extracted from the Group's unaudited condensed interim set of consolidated financial statements for the six months ended 30 September 2023 (the "consolidated financial statements").

Table A – EPRA earnings

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Basic and diluted earnings attributable to owners of the Company(1)	**31.7**	70.0
Add loss/(deduct gain) on revaluation of investment properties(2)	**10.1**	(26.8)
Deduct gain on disposal of properties (net of related tax)(3)	**0.0**	(4.7)
Change in fair value of derivative financial instruments(4)	**0.8**	(1.2)
Deferred tax in respect of EPRA fair value movements on investment properties(5)	**5.2**	5.3
Add loss/(deduct gain) on revaluation of investment property relating to associates(6)	**0.5**	(1.9)
Tax in relation to the revaluation gains/losses on investment property relating to associates(7)	**(0.1)**	0.5
EPRA earnings(8)	**48.2**	41.2

Notes:

(1) Presents the profit attributable to owners of the Company which has been extracted from the unaudited condensed interim consolidated income statement within the consolidated financial statements.

(2) Presents the gain or loss on revaluation of investment properties which has been extracted from the unaudited condensed interim consolidated income statement within the consolidated financial statements.

(3) Presents the gain or loss on disposal of properties (net of related tax) which has been extracted from note 10 within the consolidated financial statements.

(4) Presents the change in fair value of derivative financial instruments which has been extracted from the unaudited condensed interim consolidated income statement within the consolidated financial statements.

(5) Presents deferred tax relating to origination and reversal of temporary differences of the EPRA fair value movements on investment properties which has been extracted from note 9 within the consolidated financial statements.

(6) Presents the gain or loss on revaluation of investment property relating to associates which has been extracted from note 10 within the consolidated financial statements.

(7) Presents tax in relation to the revaluation gains/losses on investment property relating to associates which has been extracted from note 10 within the consolidated financial statements.

(8) Presents the EPRA earnings for the period.

Table B – Adjusted net asset value

	Unaudited 30 September 2023 €m	Audited 31 March 2023 €m
Net asset value		
Net asset value for the purpose of assets per share (assets attributable to the owners of the Company)(1)	**1,201.5**	1,197.1
Deferred tax liabilities(2)	**85.4**	80.2
Derivative financial instruments at fair value(3)	**(0.5)**	(1.3)
Adjusted net asset value attributable to the owners of the Company(4)	**1,286.4**	1,276.0

Notes:

(1) Presents the net asset value for the purpose of assets per share (assets attributable to the owners of the Company) which has been extracted from the unaudited condensed interim consolidated statement of financial position within the consolidated financial statements.

(2) Presents the net deferred tax liabilities or assets which have been extracted from the unaudited condensed interim consolidated statement of financial position within the consolidated financial statements.

(3) Presents current derivative financial instrument assets which have been extracted from the unaudited condensed interim consolidated statement of financial position from the consolidated financial statements.

(4) Presents the adjusted net asset value attributable to the owners of the Company as at period end.

Table C – EPRA net asset measures

Unaudited 30 September 2023	**EPRA NRV €m**	**EPRA NTA €m**	**EPRA NDV €m**
Net asset value as at period end (basic)(1)	**1,201.5**	**1,201.5**	**1,201.5**
Diluted EPRA net asset value at fair value	**1,201.5**	**1,201.5**	**1,201.5**
Group			
Derivative financial instruments at fair value(2)	**(0.5)**	**(0.5)**	**n/a**
Deferred tax in respect of EPRA fair value movements on investment properties(3)	**85.4**	**85.2***	**n/a**
Intangibles(4)	**n/a**	**(3.9)**	**n/a**
Fair value of fixed interest rate debt(5)	**n/a**	**n/a**	**114.7**
Real estate transfer tax(6)	**165.3**	**n/a**	**n/a**
Investment in associate			
Deferred tax in respect of EPRA fair value movements on investment properties(3)	**7.1**	**7.1***	**n/a**
Fair value of fixed interest rate debt(5)	**n/a**	**n/a**	**9.7**
Real estate transfer tax(6)	**9.4**	**n/a**	**n/a**
Total EPRA NRV, NTA and NDV(7)	**1,468.2**	**1,289.4**	**1,325.9**

Audited 31 March 2023	EPRA NRV €m	EPRA NTA €m	EPRA NDV €m
Net asset value as at period end (basic)(1)	1,197.1	1,197.1	1,197.1
Diluted EPRA net asset value at fair value	1,197.1	1,197.1	1,197.1
Group			
Derivative financial instruments at fair value(2)	(1.3)	(1.3)	n/a
Deferred tax in respect of EPRA fair value movements on investment properties(3)	80.2	80.1*	n/a
Intangibles(4)	n/a	(4.1)	n/a
Fair value of fixed interest rate debt(5)	n/a	n/a	99.2
Real estate transfer tax(6)	164.4	n/a	n/a
Investment in associate			
Deferred tax in respect of EPRA fair value movements on investment properties(3)	7.0	7.0*	n/a
Fair value of fixed interest rate debt(5)	n/a	n/a	9.9
Real estate transfer tax(6)	9.3	n/a	n/a
Total EPRA NRV, NTA and NDV(7)	1,456.7	1,278.8	1,306.2

* The Group intends to hold and does not intend in the long term to sell any of the investment properties and has excluded such deferred taxes for the whole portfolio as at period end except for deferred tax in relation to assets held for sale.

Notes:

(1) Presents the net asset value for the purpose of assets per share (assets attributable to the owners of the Company) which has been extracted from the unaudited condensed interim consolidated statement of financial position within the consolidated financial statements.

(2) Presents current derivative financial instrument assets which have been extracted from the unaudited condensed interim consolidated statement of financial position within the consolidated financial statements.

(3) Presents for the Group the net deferred tax liabilities or assets which have been extracted from note 9 of the consolidated financial statements and for EPRA NTA only the additional credit adjustment for the deferred tax expense relating to assets held for sale of €0.2m (31 March 2023: €0.1m). For investment in associates the deferred tax income/(expense) arising on revaluation gains/losses amounted to €0.1m (31 March 2023: €0.4m).

(4) Presents the net book value of software and licences with definite useful life which has been extracted from note 14 within the consolidated financial statements.

(5) Presents the fair value of financial liabilities and assets on the unaudited condensed interim consolidated statement of financial position, net of any related deferred tax.

(6) Presents the add-back of purchasers' costs in order to reflect the value prior to any deduction of purchasers' costs, as shown in the Valuation Certificate of Cushman & Wakefield LLP.

(7) Presents the EPRA NRV, EPRA NTA and EPRA NDV, respectively, as at period end.

Table D – EPRA LTV metric

Unaudited 30 September 2023	**Group €m**	**Proportionate consolidation Investment in associates €m**	**Total €m**
Interest-bearing loans and borrowings(1)	**243.2**	**52.2**	**295.4**
Corporate bonds(2)	**700.0**	**—**	**700.0**
Net payables(3)	**77.2**	**5.7**	**82.9**
Cash and cash equivalents(4)	**(115.7)**	**(6.6)**	**(122.3)**
Net debt (a)(5)	**904.7**	**51.3**	**956.0**
Investment properties(6)	**2,129.5**	**125.5**	**2,255.0**
Assets held for sale(7)	**7.3**	**—**	**7.3**
Plant and equipment(8)	**7.4**	**—**	**7.4**
Intangible assets(9)	**3.9**	**—**	**3.9**
Loan to associates(10)	**44.3**	**—**	**44.3**
Total property value (b)(11)	**2,192.4**	**125.5**	**2,317.9**
EPRA LTV (a/b)(12)	**41.3%**	**40.9%**	**41.2%**

Audited 31 March 2023	Group €m	Proportionate consolidation Investment in associates €m	Total €m
Interest-bearing loans and borrowings(1)	264.4	52.1	316.5
Corporate bonds(2)	700.0	—	700.0
Net payables(3)	71.0	4.5	75.5
Cash and cash equivalents(4)	(124.3)	(8.6)	(132.9)
Net debt (a)(5)	911.1	48.0	959.1
Investment properties(6)	2,123.0	124.2	2,247.2
Assets held for sale(7)	8.8	—	8.8
Plant and equipment(8)	7.2	—	7.2
Intangible assets(9)	4.1	—	4.1

Loan to associates[10]	44.3	—	44.3
Total property value (b)[11]	2,187.4	124.2	2,311.6
EPRA LTV (a/b)[12]	41.7%	38.6%	41.5%

Notes:

(1) Presents the interest-bearing loans and borrowings which have been extracted from the unaudited condensed interim consolidated statement of financial position within the consolidated financial statements less the corporate bonds which have been extracted from note 21 within the consolidated financial statements.

(2) Presents the corporate bonds which have been extracted from note 21 within the consolidated financial statements.

(3) Presents the net payables, which is the sum of trade and other receivables, derivative financial instruments, trade and other payables, current tax liabilities (all of which have been extracted from the unaudited condensed interim consolidated statement of financial position within the consolidated financial statements) and deposits which have been extracted from note 16 within the consolidated financial statements.

(4) Presents the cash and cash equivalents which have been extracted from the unaudited condensed interim consolidated statement of financial position within the consolidated financial statements.

(5) Presents the net debt, which is the sum of interest-bearing loans and borrowings, corporate bonds, and net payables, less cash and cash equivalents which have been extracted from note 21 within the consolidated financial statements.

(6) Presents the investment properties values which have been extracted from the unaudited condensed interim consolidated statement of financial position within the consolidated financial statements.

(7) Presents the assets held for sale which have been extracted from the unaudited condensed interim consolidated statement of financial position within the consolidated financial statements.

(8) Presents the plant and equipment which have been extracted from the unaudited condensed interim consolidated statement of financial position within the consolidated financial statements.

(9) Presents the intangible assets which have been extracted from the unaudited condensed interim consolidated statement of financial position within the consolidated financial statements.

(10) Presents the loan to associates which has been extracted from note 16 within the consolidated financial statements.

(11) Presents the total property value, which is the sum of investment properties, assets held for sale, plant and equipment, intangible assets and loan to associates.

(12) Presents the EPRA LTV which is net debt divided by total property value in percentage.

Table E – Adjusted profit before tax and funds from operations

	Unaudited six months ended 30 September 2023 €m	Unaudited six months ended 30 September 2022 €m
Reported profit before tax[1]	**39.8**	75.7
Adjustments for:		
Loss/(gain) on revaluation of investment properties[2]	**10.1**	(26.8)
Loss on revaluation relating to leased investment properties[3]	**(0.7)**	(0.9)
Gain on disposal of properties[4]	**0.0**	(4.8)
Loss/(gain) on revaluation of investment property from associates and related tax[5]	**0.4**	(1.4)
Other adjusting items[6]	**1.8**	3.0
Change in fair value of financial derivatives[7]	**0.8**	(1.2)
Adjusted profit before tax[8]	**52.2**	43.6
Adjustments for:		
Foreign exchange effects[9]	**—**	0.3
Depreciation and amortisation (excluding depreciation relating to IFRS 16)[10]	**1.7**	1.7
Amortisation of financing fees[11]	**1.5**	1.6
Adjustment in respect of IFRS 16[12]	**0.5**	1.5
Current taxes incurred[13]	**(2.9)**	(0.3)
Add back current tax relating to disposals[14]	**—**	0.1
Funds from operations[15]	**53.0**	48.5

Notes:

(1) Presents profit before tax which has been extracted from the unaudited condensed interim consolidated income statement within the consolidated financial statements.

(2) Presents the gain or loss on revaluation of investment properties which has been extracted from the unaudited condensed interim consolidated income statement within the consolidated financial statements.

(3) Presents the gain or loss on revaluation relating to leased investment properties which has been extracted from note 12 within the consolidated financial statements.

(4) Presents the gain or loss on disposal of properties which has been extracted from the unaudited condensed interim consolidated income statement within the consolidated financial statements.

(5) Presents the gain or loss on revaluation of investment property relating to associates and related tax which has been extracted from note 10 within the consolidated financial statements.

(6) Presents the total adjusting items which has been extracted from note 10 within the consolidated financial statements.

(7) Presents the change in fair value of derivative financial instruments which has been extracted from the unaudited condensed interim consolidated income statement within the consolidated financial statements.

(8) Presents the adjusted profit before tax for the period.

(9) Presents the net foreign exchange gains or losses as included in other administration costs in note 5 within the consolidated financial statements.

(10) Presents depreciation of plant and equipment and amortisation of intangible assets which have been extracted from note 5 within the consolidated financial statements.

(11) Presents amortisation of capitalised finance costs which has been extracted from note 8 within the consolidated financial statements.

(12) Presents the differential between the expense recorded in the unaudited condensed interim consolidated income statement for the period relating to head leases in accordance with IFRS 16 amounting to €2.2m (30 September 2022: €2.8m) and the actual cash expense recorded in the unaudited condensed interim consolidated statement of cash flow for the period amounting to €1.7m (30 September 2022: €1.3m).

(13) Presents the total current income tax which has been extracted from note 9 within the consolidated financial statements.

(14) Presents the current income tax charge relating to disposal of investment properties which has been extracted from note 9 within the consolidated financial statements.

(15) Presents the funds from operations for the period.

Glossary of terms

Adjusted earnings after tax	is the earnings attributable to the owners of the Company, adjusted for the effect of the gains/losses on revaluation of investment properties and related tax (also to associates net of related tax), gains/losses on disposal of properties and related tax, NCI relating to revaluation (net of related tax), changes in fair value of derivative financial instruments (net of related tax and NCI), revaluation gains/losses relating to leased investment properties and adjusting items (net of related tax and NCI)
Adjusted net asset value	is the assets attributable to the owners of the Company adjusted for derivative financial instruments at fair value and net deferred tax liabilities/assets
Adjusted profit before tax	is the reported profit before tax adjusted for the effect of gains/losses on revaluation of investment properties, gains/losses on revaluation relating to lease investment properties, gains/losses on disposal of properties, gains/losses on revaluation of investment property relating to associates and related tax, other adjusting items and changes in fair value of derivative financial instruments
Annualised acquisition net operating income	is the income generated by a property less directly attributable costs at the date of acquisition expressed in annual terms. Please see “annualised rent roll” definition below for further explanatory information
Annualised acquisition rent roll	is the contracted rental income of a property at the date of acquisition expressed in annual terms. Please see “annualised rent roll” definition below for further explanatory information
Annualised rent roll	is the contracted rental income of a property at a specific reporting date expressed in annual terms. Unless stated otherwise the reporting date is 30 September 2023. Annualised rent roll should not be interpreted nor used as a forecast or estimate. Annualised rent roll differs from rental income described in note 4 of the Interim Report and reported within revenue in the unaudited condensed interim consolidated income statement for reasons including: • annualised rent roll represents contracted rental income at a specific point in time expressed in annual terms; • rental income as reported within revenue represents rental income recognised in the period under review; and • rental income as reported within revenue includes accounting adjustments including those relating to lease incentives
Capital value	is the market value of a property divided by the total sqm of a property
Company	is Sirius Real Estate Limited, a company incorporated in Guernsey and resident in the United Kingdom for tax purposes, whose shares are publicly traded on the Main Market of the London Stock Exchange (primary listing) and the Main Board of the Johannesburg Stock Exchange (primary listing)
Cumulative total return	is the return calculated by combining the movement in investment property value net of capex with the total net operating income less bank interest over a specified period of time
EPRA earnings	is earnings after adjusting for (where applicable) gains/losses on revaluation of investment properties, gains/losses on disposal of properties (net of related tax), recoveries from prior disposals of subsidiaries (net of related tax), refinancing costs, exit fees and prepayment penalties, goodwill impairment, acquisition costs in relation to business combinations, changes in fair value of derivative financial instruments (collectively the “EPRA earnings adjustments”), deferred tax in respect of the EPRA earnings adjustments, NCI relating to revaluation (net of related tax), gains/losses on revaluation of investment property relating to associates and the related tax thereon
EPRA loan to value	is the ratio of net debt to total property value as defined in note 21. It includes all capital which is not equity as debt, irrespective of its IFRS classification, and is based upon proportional consolidation, therefore including the Group’s share in the net debt and net assets of associates. Assets are included at fair value, net debt at nominal value
EPRA net reinstatement value	is the net asset value after adjusting for derivative financial instruments at fair value, deferred tax relating to valuation movements and derivative financial instruments and real estate transfer tax presented in the Valuation Certificate, including the amounts of the above related to the investment in associates
EPRA net tangible assets	is the net asset value after adjusting for (where applicable) derivative financial instruments at fair value, deferred tax relating to valuation movements (just the part of the portfolio that the Group intends to hold should be excluded) and derivative financial instruments, goodwill and intangible assets as per the note reference in the unaudited condensed interim consolidated statement of financial position, including the amounts of the above related to the investment in associates
EPRA net disposal value	is the net asset value after adjusting for (where applicable) goodwill and the fair value of fixed interest rate debt, including the amounts of the above related to the investment in associates
EPRA net initial yield	is the annualised rent roll based on the cash rents passing at reporting date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers’ costs

EPRA net yield	is the net operating income generated by a property expressed as a percentage of its value plus purchase costs
ERV	is the estimated rental value which is the annualised rental income at 100% occupancy
Funds from operations	is adjusted profit before tax adjusted for depreciation and amortisation (excluding depreciation relating to IFRS 16), amortisation of financing fees, net foreign exchange differences, adjustment in respect of IFRS 16 and current tax excluding tax on disposals
Geared IRR	is an estimate of the rate of return taking into consideration debt
Gross loan to value ratio	is the ratio of principal value of total debt to the aggregated value of investment property
Like for like	refers to the manner in which metrics are subject to adjustment in order to make them directly comparable. Like-for-like adjustments are made in relation to annualised rent roll, rate and occupancy and eliminate the effect of asset acquisitions and disposals that occur in the reporting period
LTIP	Long Term Incentive Plan
LTV	loan to value
Net loan to value ratio	is the ratio of principal value of total debt less cash, excluding that which is restricted in contractual terms, to the aggregate value of investment property
Net operating income	is the rental, service charge and other income generated from investment and managed properties less directly attributable costs
Net yield	is the net operating income generated by a property expressed as a percentage of its value
Occupancy	is the percentage of total lettable space occupied as at reporting date
Operating cash flow on investment (geared)	is an estimate of the rate of return based on operating cash flows and taking into consideration debt
Operating cash flow on investment (ungeared)	is an estimate of the rate of return based on operating cash flows
Operating profit	is the net operating income adjusted for gains/losses on revaluation of investment properties, gains/losses on disposal of properties, movement in expected credit loss provision, administrative expenses and share of profit of associates
Rate	for the German portfolio is rental income per sqm expressed on a monthly basis as at a specific reporting date for the UK portfolio is rental income (includes estimated service charge element) per sqm expressed on a monthly basis as at a specific reporting date in EUR for the UK portfolio is rental income (includes estimated service charge element) per sq ft expressed on an annual basis as at a specific reporting date in GBP
Senior Management Team	as set out on page 88 of the Group’s Annual Report and Accounts 2023
SIP	Share Incentive Plan
Total debt	is the aggregate amount of the interest-bearing loans and borrowings
Total shareholder accounting return	is the return obtained by a shareholder calculated by combining both movements in adjusted NAV per share and dividends paid
Total return	is the return for a set period of time combining valuation movement and income generated
Ungeared IRR	is an estimate of the rate of return
Weighted average cost of debt	is the weighted effective rate of interest of loan facilities expressed as a percentage
Weighted average debt expiry	is the weighted average time to repayment of loan facilities expressed in years

Corporate directory

SIRIUS REAL ESTATE LIMITED
(Incorporated in Guernsey)

Company Number: 46442
JSE Share Code: SRE
LSE (GBP) Share Code: SRE
LEI: 213800NURUF5W8QSK566
ISIN Code: GG00B1W3VF54

Registered office
Elizabeth House
Les Ruettes Brayes
St Peter Port
Guernsey GY1 1EW
Channel Islands

Registered number
Incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended, under number 46442

Company Secretary

A Gallagher

Sirius Real Estate Limited

Elizabeth House
Les Ruettes Brayes
St Peter Port
Guernsey GY1 1EW
Channel Islands

UK solicitors

Norton Rose Fulbright LLP

3 More London Riverside
London SE1 2AQ
United Kingdom

Financial PR

FTI Consulting LLP

200 Aldersgate Street
London EC1A 4HD
United Kingdom

JSE sponsor

PSG Capital Proprietary Limited

1st Floor, Ou Kollege Building
35 Kerk Street
Stellenbosch 7600
South Africa

Joint broker

Peel Hunt LLP

100 Liverpool Street
London EC2M 2AT
United Kingdom

Joint broker

Berenberg

60 Threadneedle Street
London EC2R 8HP
United Kingdom

Property valuer

Cushman & Wakefield LLP

Rathenauplatz 1
60313 Frankfurt am Main
Germany

Independent auditor

Ernst & Young LLP

PO Box 9, Royal Chambers
St Julian’s Avenue
St Peter Port

Guernsey GY1 4AF
Channel Islands

Guernsey solicitors

Carey Olsen (Guernsey) LLP

PO Box 98
Carey House
Les Banques
St Peter Port
Guernsey GY1 4BZ
Channel Islands